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foreign trade

CANADA

CEYLON—AS THE TRADE COMMISSIONER SEES IT (page two)

foreign trade

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cover Carts loaded with bags of paddy are seen crossing a stream at Kalmunai in Ceylon's Eastern Province, where the Gal Oya valley project has irrigated some 1,000 square miles. The Kalmunai paddy fields—now the largest in Ceylon—are helping to reduce the Island's dependence on imported foodstuffs. For a fresh glimpse into current conditions and a discussion of trading techniques that will help the Canadian exporter, turn to the article on page two.

CANADA

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69543-7—1

Ceylon as a Market

W. R. VAN, *Commercial Secretary, Colombo.*

THE Dominion of Ceylon, sometimes referred to as the "Pearl of the East", is a small, compact island lying about twelve miles off the southeast tip of India and covering an area of just over 25,000 square miles. Apart from the mountainous area in the south-central part, averaging in elevation from 3,000 to 7,000 feet, the climate is hot and humid, with little variation during the year. Ceylon's location in the Indian Ocean makes it easy for steamers proceeding from East to West and vice versa, via the Suez Canal, to call there; it is also on the international air route between East and West.

In a rapidly rising population that now totals over nine million, the Sinhalese (70.45 per cent) and the Tamils (22 per cent) form the predominant groups. In addition, there are Ceylon Moors (5.93 per cent), Burghers and Eurasians (.54 per cent), Indian Moors (.58 per cent), Malays (.36 per cent), Europeans and North Americans (.08 per cent). Although the official language is Sinhalese, English continues to be the main commercial language.

An Export Economy

The economy of Ceylon is still primarily agricultural and the production, processing and export of tea, rubber and coconut products (listed in order of value) is the main activity. (The latter includes coconut oil and desiccated coconut.)

A substantial portion of the foreign exchange earned from these products is used to buy foodstuffs (rice, flour, sugar and dried Maldive fish) to supplement the insufficient domestic food production and pay for imports of manufactured goods, machinery and raw materials required in a developing country. Steps are being taken to increase and diversify agricultural output.

Industrial Expansion Pushed

Because her main exports are so vulnerable to fluctuations in price and because she wishes to cut her import bill, Ceylon is trying to establish industries that will use existing natural resources. These include forests, kaolin and limestone deposits, as well as iron ore and salt deposits. The chief mineral industry, currently faced with a slump, is the mining of graphite.

Among the products that the island's industries turn out are cement, asbestos cement products, confectionery, alcoholic beverages, textiles, plywood, timber, tobacco, footwear, rubber goods, soap, coconut oil, matches, brick and tile, salt, milk products, etc.

Under government policy, participation in industrial development

falls into three classes—government alone, government and private, and private. Partly because of conflicting statements on the nationalization of industries, some foreign capital has been withdrawn and little new capital has come in. Policy has now been clarified and the intimation is that new industries would be free from possible nationalization for a period of ten years. However, new taxation proposals outlined in this year's budget tend to restrict investment.

What Ceylon Buys

The following statistics cover Ceylon's trade during the last three years:

	1958	1957	1956
	(in millions of dollars)		
Exports (includes other than domestic)	342.1	336.3	346.9
Imports	343.3	360.8	326.0
Total	685.4	697.1	672.9
Balance	−1.2	−24.5	+20.9

The following commodity groups, as shown in the Ceylon Customs Returns, constituted Ceylon's main imports during 1958. (Total imports reached $343.3 million.)

Commodity Group	Value (millions of dollars)
Foodstuffs (approx. 50 per cent consisted of rice, flour and sugar)	$138.7
Beverages and tobacco	4.3
Crude materials, inedible (except fuels)	4.6
Mineral fuels, lubricants and related materials	28.3
Animal and vegetable oils and fats	.8
Chemicals (includes pharmaceuticals)	20.9
Manufactured goods (classified chiefly by material)	74.8
Machinery and transport equipment (other than electrical)	46.9
Miscellaneous manufactured articles	19.1

The Ceylon Government is the island's largest single purchaser. Tenders are issued through the various Ministries, and include: first, worldwide tenders, usually for purchases financed by ICA or the World Bank; second, local tenders —usually restricted to local firms or representatives of foreign firms in Ceylon; third, tenders issued through the Crown Agents in London.

W. R. VAN, Commercial Secretary in Colombo since 1957, begins a tour of business centres across Canada in Montreal on May 25 (complete itinerary on page 36). He looks forward to meeting Canadian businessmen who are interested in discussing the opportunities for trade with Ceylon. Mr. Van joined the Trade Commissioner Service in 1947 and has served in Bogotá, Colombia; Havana, Cuba; and Rome, Italy, as well as Colombo. He will be transferred later this year to Dublin, Ireland, as Commercial Secretary.

The United Kingdom continues to be Ceylon's chief trading partner and this year further consolidated her position. Other major markets, in order of importance, are the United States, Australia, Communist China, Canada and West Germany.

Principal sources of supply other than the United Kingdom include India, Japan, Communist China, Burma (rice and teak) and, to a much lesser degree, the United States, Iran (oil), Australia and West Germany.

What Canada Sells

Although Canada continues to be one of Ceylon's best customers (particularly for tea) our exports to this market are comparatively small. Export statistics themselves tend to mislead because a substantial portion of our total exports represents goods provided under the Colombo Plan. The increased export values for 1958 include as well gift flour for flood relief and flour purchased on a loan basis. Apart from flour, Canadian exports consist of a reasonably wide range of goods. Newsprint is the major dollar-consumer and the individual value and volume of other items are small. They include tinned vegetables, fruits and fish, automobile tires, milk preparations, automotive accessories, sparkplugs, asbestos fibres, medical supplies, pens and plastic sheeting.

Increased sales are hampered by our inability to compete in price with traditional and new sources of supply. The long freight haul also poses a problem.

Marketing in Ceylon

Colombo is the principal commercial city and the centre of the island's trade. Virtually all import trade is handled through the Port of Colombo although, because of continual labour strife within the port, alternative facilities at Galle and Trincomalee are being considered. These two ports, (especially Galle) are now being used extensively for tea shipments.

At the moment it is not necessary to seek the services of agents in the provinces. Some of the large Colombo department stores and engineering firms have out-station branches but these cater mainly to the plantation areas. For other goods, agents in Colombo can quite easily cover the entire island with travelling salesmen who book orders against samples.

There is no definite demarcation between importers, exporters, manufacturers' agents, wholesalers and retailers and it is not unusual to find competitive lines handled by the same firm.

Advertising plays an extremely important rôle and there are several local advertising firms. The media employed are newspapers (Sinhalese, Tamil and English), trade

69543-7—2

journals (i.e. monthly, *Ceylon Trade Journal;* annual, Ferguson's *Ceylon Directory*); films (short or slide), and the Commercial Service of Radio Ceylon (trilingual).

There are also a number of Chambers of Commerce producing bulletins who willingly co-operate in finding sales outlets among their members.

Licensing, Tariffs, Taxation

Import control policy is regulated by Import Control Notice 22/56 and amendments, effective July 1956. A revised edition is scheduled to appear shortly. The Notice lists imports requiring a licence and those that do not.

Local firms have not had any difficulty in obtaining licences for Canadian products. Import controls have continued to be liberal and there have been no problems in remitting dollars for goods shipped.

The existing tariff schedule is being revised. The tariff at present provides for heavy duties on imports of luxury articles and on any goods likely to compete with local manufacturers. As befits a developing economy, duties are kept low on imports of equipment, machinery and materials required for agriculture and for industrial development. Duties on the bulk of commodities imported are assessed on a c.i.f. ad valorem basis. Commonwealth Preferential with a 10 per cent maximum is granted on a large number of items. To qualify for this Preferential Tariff treatment, 50 per cent of the value of these goods (with certain exceptions) must be the result of labour and/or materials originating within the British Commonwealth.

Canadian manufacturers are liable to a profits tax under Sections 34 and 35 of the Ceylon Income Tax Ordinance for goods sold through a local indent agent. This does not apply to sales made by a foreign export house or from manufacturer to importer. There is no double tax agreement between Canada and Ceylon.

The bulk of cargo arriving at the Port of Colombo is first discharged into lighters and it is essential that packing be strong and proof against damage and pilferage. In a hot and humid climate, special precautions should be taken to counteract dampness, leakage, and the ravages of insects. Markings on all cases should be clear.

Payment, Banking

It is advisable, unless one is dealing with an old and well established firm or one whose status and integrity have been suitably guaranteed, to ship goods against prior receipt of an irrevocable letter of credit. It is well to be cautious at all times, especially during periods of falling prices. In recent years a great number of firms have started up and some possess neither sufficient capital nor experience. This has resulted in bills being dishonoured or not being met on the due date.

There are a number of well known British banks operating through the entire area. The one local bank is known as the Bank of Ceylon. All have Canadian banks as correspondents.

Documentation

The documents required on shipments to Ceylon, all of which should be forwarded together by airmail, are:

• *Commercial Invoice*—No consular invoices are required. No special form of invoice is stipulated and the ordinary commercial invoice is acceptable. The invoice should give a full description of the goods, their weight, quantity, unit price and total value. Currency in which goods are invoiced and sold should be indicated and whether the value is f.o.b. or c.i.f. If it is f.o.b., an assessment for the insurance, freight and dock charges should be included.

• *Bill of Lading*—The bill of lading or consignment note, if possible, should be sent through a local bank. Otherwise the exporter should take precautions to ensure that his representative recovers all charges due to him before the release of the documents. The consignee must present a properly endorsed document before the goods are delivered.

• *Certificate of Origin*—Unless this is provided, preferential duty may not be claimed. To qualify, at least 50 per cent of the cost of the finished product must have been contributed by British Commonwealth labour and/or material.

• *Packing List*—This is occasionally requested by the purchaser.

A Canadian exporter shipping to Ceylon for the first time should confirm with the local purchaser or agent whether or not any further documentation is needed.

Samples, Patents, Trademarks

Samples obviously of no commercial value are duty-free; others are dutiable but if they are registered with the Customs Collector, duties are refundable if samples are exported within six months. Trade circulars, catalogues and showcards are exempt from duty.

Although Ceylon has made statutory provision for the protection of patents and trademarks, it is advisable that they be registered locally with the Registrar of Patents or the Registrar of Trademarks. There are a number of reputable legal firms specializing in this type of work on behalf of foreign clients. The law of Ceylon prohibits the use of a trademark which incorporates a picture, name or title having any religious significance.

Cultivating Sales

Canadian exporters who wish to step up or initiate trade with Ceylon should bear the following points in mind:

(1) Visit the area if possible. Remember that customs, buying habits and way of life are different from our own. Personal contacts are

xtremely important. The best time o visit Ceylon is from November o early February when it is less hot nd humid.

(2) Advise the Trade Commis-ioner well in advance of your ar-ival. Forward illustrated catalogues nd price lists, preferably c.i.f. A preliminary market survey can be carried out and prospective repre-sentatives or purchasers lined up. This will save you a great deal of time and you can start work im-mediately on arrival.

(3) Do not be taken in by im-pressive letterheads; these usually denote fly-by-nights and other un-scrupulous traders.

(4) Should goods require an import licence, make sure the local buyer has one or qualifies for one.

(5) Use airmail for correspond-ence at all times; seamail takes up to two months. ●

Egypt's New Valley Project

'aced with urgent need to provide food for its apidly growing population, Egypt hopes to reclaim new valley from the Sahara, even though cost of igging wells and reclaiming land will run high.

). S. ARMSTRONG, *Commercial Secretary, Cairo.*

EGYPT is giving top priority to a land reclamation :heme which will help to overcome its most serious roblem—the lack of enough arable land to feed its ıpidly growing population. The scheme will redeem a ew valley from the Sahara, using the five oases—harga, Dakhla, Farafra, Bahareya and Siwi—which e on a line running roughly northwest from a point 50 miles west of Aswan to the Mediterranean. The ew Valley is expected to add from one-half to three illion acres to the six million now cultivated on the anks and in the delta of the Nile.

Judging by the tombs and temples found near them, ıe oases have known civilization since the time of the haraohs and the pyramids. One theory (not accepted y the experts) is that this was the original valley of ıe Nile and that an ancient ruler, King Mena, diverted at Aswan to its present course.

ood Water Found

Geologists have found that a layer of water-bearing ɔck known as Nubian sandstone runs northward from entral Africa (Lake Chad) to the Mediterranean at a epth varying from 300 to 1,200 feet below ground vel. The oases are natural outlets for the water and sts have shown that artesian wells can be drilled ccessfully. An oil company prospecting in this area und no oil but plenty of water. There is sufficient idence to indicate that the Romans built water-oducing wells to supplement the oases.

The water is of excellent quality, with soluble salts nging from 200 to 500 parts per million. What is ɔt yet known is how many wells can be drilled in various areas without affecting the artesian flow, and whether there are seasonal high and low periods. Initially it has been decided to dig one well for each 500 acres, with no two wells closer than three miles. In this way experts hope to conserve the supply and maintain the natural artesian pressure.

There are three types of soil in and surrounding the oases: alluvial clay, calcareous, and sandy. With the help of nitrate fertilizer, all the crops now grown beside the Nile can be sown and harvested in the New Valley. Wheat will probably be emphasized because Egypt now imports over three million bushels a year; other crops might be barley, dates, olives, fruits and vegetables. It should also be a good area for cattle and sheep raising. Light industries and processing plants for local crops are being considered.

Today 25,000 acres are under cultivation in the five oases, which have a total population of about 50,000. The first stage of the plan calls for reclamation of 15,000 acres but, looking well into the future, 500 thou-sand acres could support well over one million people. So great is Egypt's population growth problem that this would take care of only two years' natural increase. Hence the urgency for the development of the New Valley.

Foreign Aid Probably Needed

The cost factor is also being studied; it costs £10,000 to dig a well and £100 to reclaim an acre. Thus the first stage will cost £1.8 million and 500 thousand acres with 1,000 wells would cost at least £60 million. This sum does not include roads, rail-ways, housing, and other amenities and necessities. Given the present rate of investment in Egypt in industrialization, social services, and the Aswan High Dam, a scheme as big as the New Valley, even when it is spread over a number of years, needs careful financial planning. Egypt recognizes that it will need both techni-cal and capital assistance from foreign sources. ●

69543-7—2½

Venezuela

Selling Electrical Appliances

This is the first of two articles outlining the market for electrical appliances in Venezuela. New power projects and a higher living standard should improve sales prospects there, but competition is keen, particularly from the United States.

G. FONS,
Office of the Commercial Counsellor, Caracas.

THE great economic transformation in Venezuela since the discovery of oil a few decades ago has had profound effects on the Venezuelan people. Not the least of these is growing fondness for the comforts of modern homes and appliances. One sees the newest and most expensive refrigerators, washing machines or television sets that money can buy in any Venezuelan home, from the luxurious palatial "quinta" in Altamira, or the middle class apartment in San Bernardino, to the modest emergency houses with corrugated aluminum roofs on the outskirts of town. Even millionaires sometimes buy appliances on deferred payment terms, and the poor will trade in or discard them, when they no longer work properly, in order to buy new ones.

Higher Living Standard Forecast

It is difficult at this stage to properly assess the future trends and sales possibilities of any line in the Venezuelan market. The country has just entered a new political phase with promises of long-term planning and a fairer distribution of national income. Both measures are almost sure to raise the living standard of the lower classes and increase their purchasing power. This, in turn, should open avenues for future sales, especially for electrical appliances, which are often indicators of social standing in this country. Some dealers have already noted a stronger demand for the cheaper type of consumer goods.

Electrical appliances are not made in Venezuela and there are no currency or import restrictions on them. In addition, future developments of power projects might lower the price of electrical energy and generalize its uses still more.

High housing costs, plus the ever-present problem of obtaining domestic help, favours the purchase of labour-saving electrical appliances. On the other hand, the tropical climate makes heating unnecessary and the expensive electric current makes the use of resistor cooking appliances uneconomical.

AC current is used throughout the country. Voltage are generally 120 single phase, 50 cycles, in Caraca and north central Venezuela (Maracay and its area) In the interior (eastern, western, and southern Vene zuela), the same voltage is supplied with 60 cycles fo domestic purposes. Besides these, 208/240-volt line single or poly phase in 50 or 60 cycles (according t area), are available for industry.

Low-Priced Appliances

Electric Irons are the best sellers in the low-pric range. Competitive quotations, good presentation an if possible, well advertised brands are the main thing a Venezuelan importer considers in placing orders wit a foreign firm. Import statistics in the accompanyin table include gasoline-operated irons, which are said t be imported only in small quantities.

Electric fans do not sell as well as they did befo the introduction of air-conditioning. There are n Venezuelan import statistics for electric fans but U. export figures report a sale to Venezuela of 43,66 units valued at US$778,086 in 1957. (These sal possibly represent 60 to 75 per cent of total Venezuela imports of electric fans.)

Radio receiving sets continue to enjoy steady sal in Venezuela. Small transistor-operated pocket sets a much in fashion here at present and are supplied b Japan and the United States. Small one-band tube se

VENEZUELAN IMPORTS OF ELECTRICAL APPLIANCES 1957*

	Electric Irons	Radios	Lamps, Shades	TV Set
	(in bolivars)**			
Total	2,464,271	12,750,651	14,841,635	17,173,0
From:				
United States	1,138,730	4,898,976	10,286,725	15,345,7
West Germany	557,303	3,386,268	1,415,308	
Britain	339,492	913,953	542,203	114,9
Canada	302,326		233,597	
Belgium		1,307,569		
Netherlands		1,133,123	813,332	1,628,6
Italy			525,036	
Hong Kong			317,723	
Japan	68,925	841,429		

*Statistics for 1957 are given throughout because these figu present a truer picture of an average year than those for 1958.
**One bolivar=Can.$0.29.

come mostly from the U.S. In the higher-priced ranges, Venezuelans seem to prefer European sets with several bands to the one-band U.S. receivers. The public appears to have lost much interest in radio, however, since the establishment of television.

Mixers, juicers and blenders are far less in demand than the three preceding groups of appliances. According to U.S. statistics for 1957, only 21,002 units valued at US$442,930 were exported to Venezuela. Although price may still be important, brand and advertising have strong appeal. Japan and Europe are making slow headway in this line but the U.S. is far ahead with its world-renowned products.

Electric hot plates, coffee urns, kettles, toasters and waffle irons are not generally sold in any great quantities. And because there are no concise statistical data we must rely on information from members of the trade. According to the ones we interviewed, the cheap electric hot plate is the best seller in this group; sales of coffee urns, toasters, and waffle irons are far smaller. Hot water kettles are sold so seldom that it is difficult at times to find a retailer who has them in stock.

Lamps and shades have a good market here; people move quite frequently and are fond of redecorating their homes. Several Canadian suppliers are doing a steady business in the higher priced articles, but the U.S. is by far the largest supplier, followed by West Germany.

Smaller industrial appliances: meters and motors have been imported fairly steadily from Canada. Our sales to Venezuela in 1957 totalled $44,574 for electric meters and $292,389 for electric motors. Both are highly regarded here for their reliability and quality, and are imported directly by local industrial enterprises.

Medium-Priced Appliances

This is the price range where retailers start granting credit terms and make the biggest sales. Venezuelan importers are likely to expect from their foreign suppliers the most liberal terms and lowest prices to help them bear the load of financing and allow them to compete in price. Well-known brands, especially if supported by good servicing, have, of course, the most sales appeal.

Non-automatic or semi-automatic washing machines are still much in demand because of low price and solid construction, though the trend is increasingly towards fully automatic ones. Competitive quotations and attractive finishing are the main points of interest to a Venezuelan importer. However, sturdiness, to keep servicing expenses low, may make him prefer a Canadian brand, even if its landed price is slightly higher than the competitors'. United States sold 9,097 non-automatic washers valued at US$1,007,420 to Venezuela in 1957. Canadian statistics for the same year for all types of domestic washing machines show sales to Venezuela of 2,665 units worth Can.$228,512. (Most Canadian washing machines sold abroad are of the non-automatic type.)

Floor polishers, domestic type are imported mainly from Europe, particularly from Sweden and Germany. Statistical data are lacking, but the trade reports that sales of European equipment are quite high; the two-brush U.S. type is less popular. Housewives are eager to keep their terazzo flours bright and glossy and a polisher is a "must" for almost every household.

Vacuum cleaners are supplied by the United States and several European countries. According to the trade, about one vacuum cleaner is sold to every four floor polishers. In 1957, the United States sold 1,384 cleaners to Venezuela valued at US$51,966. This, perhaps, accounts for about 70 per cent of all sales.

Electric household sewing machines valued at Bs.15 million were imported in 1957; of these over Bs.6 million worth were supplied by Canada. Eighty per cent were pedal-operated and the remainder were electric. The difference in retail price between the two types is not large but the former are generally sold at very long terms to poor credit risks. The electric ones go to a more stable income group which looks for compactness, fully-automatic operation and modern styling. According to the trade, customers' preference is slowly shifting towards the electric model, but the pedal-operated types will have a good market here for many years to come. It is reported, in fact, that they are to be made locally.

Water heaters, at least the smaller six to ten-gallon variety, fall into the medium-price class. They are usually wired for 110 to 120-volt current which Venezuelan contractors prefer, though these are not satisfactory in performance nor economical in operation. High minimum power consumption rates for 240-volt current lines are a deterrent to use of the large types in spite of better performance and lower consumption.

Electric kitchen ranges are a luxury line for Venezuela because of the high cost of electrical energy here. Although the purchase price may not be higher than for a gas range, operation is expensive. This has prevented the use of electric ranges becoming more general in spite of their many advantages.

TV sets are available in the medium-price class and, though many of them are sold, people look forward to buying more high-priced ones. The United States is the main supplier of medium and high-priced sets and exported 39,247 of them in 1957 valued at US$5,527,581. This is about 70 per cent of all television receivers sold in Venezuela.

High-Priced Appliances

Refrigerators are essential in this tropical climate and sales are, therefore, quite high. Although the lower-priced economy line has the biggest turnover, substantial quantities of the high-priced ones are sold too.

Fastidious buyers expect de luxe refrigerators to offer the newest and most extravagant features, even if the price increase is considerable. As in other appliances, the prestige of a brand is a great help in achieving sales. The U.S., again the top supplier, sold 42,990 refrigerators worth US$7,255,173 in 1957—90 per cent of Venezuelan imports.

Automatic washing machines should, like de luxe refrigerators, incorporate the most advanced designs to woo Venezuelan buyers. Sales are not as high as those of refrigerators but they reach, nevertheless, an interesting level. The United States dominates this market and supplied in 1957 10,133 automatic washing machines worth US$1,492,249.

Radio-phonograph consoles are another high-priced product, only slightly affected by the interest in hi-fi. Sales potential is far from reaching the level of the three previous items and importers are reluctant to overstock consoles, which are subject to sudden changes in furniture styles.

Domestic freezers are not sold in any quantity for household use, according to appliance dealers. Many families still consider a freezer a luxury that they can do without if they already own a refrigerator.

Commercial and industrial freezers and other industrial appliances, particularly freezers, from the smallest to the biggest, seem to be in good demand. Several local distributors and manufacturers specialize in commercial freezer installations and also sell all sorts of electrical machinery for butchers, bakers, and other tradesmen. Some of these appliances are made or assembled locally, though most of them are imported.

Air conditioners in the tropics would seem to be as essential as central heating in northern climates. Although air conditioning is catching on well in Venezuela, it has been set back somewhat by manufacturers who tried to introduce their brands through commission agents. These agents sold the equipment without providing servicing facilities. Because of the difficulties that followed, the Venezuelan buyer is, at present, cautious about buying air conditioning units and will stick to a brand he knows. This makes it difficult to break into the market with unknown manufactures though some of the larger department stores sell such equipment under their own names. Because they generally provide satisfactory servicing and include a guarantee, these brands sell quite well, even if they do not bear the mark of well-known manufacturers.

In the next issue of Foreign Trade, *Mr. Fons will discuss sales organizations and policies, agents, distributors and special features of the Venezuelan trade in electrical appliances that are of particular interest to Canadian exporters—Editor.*

Copper from Peru

A barren lava spur in Southern Peru will soon play an important rôle in mineral exports. At Toquepala the Southern Peru Copper Corporation expects to be mining 30,000 tons of 1 per cent copper ore a day by the end of 1959.

The Corporation has a capital of $109 million and is controlled by the American Smelting and Refining Company which holds 57½ per cent of the shares. Cerro de Pasco Corporation (Peru's largest producer and refiner of lead and zinc) and the Phelps Dodge Corporation each have a 16 per cent interest and the Newmont Mining Corporation 10 per cent. A $100 million loan was obtained from the Export-Import Bank in 1955 and a further $15 million recently.

A United States contractor is building a concentrator and smelter, a 44,000 kw. power station, a town for the employees, a 17-mile pipeline to supply the project with water, and a railroad to the seaport of Ilo. There a pier is under construction from which the blister copper will be shipped to the United States for electrolytic refining. The railway running from the concentrator to the smelter and to the port was completed late last year. Four 130-ton locomotives will be used on the line and two 65-ton and one 45-ton locomotives will be used in the yards as switchers.

The mine is located in a desert 10,000 feet high, and the valuable ore is overlaid by 129 million tons of igneous rock. This is being removed by giant electrical shovels to lay bare the copper deposits.

The mined ore will be reduced to powder in the concentrator and a flotation process will separate out the copper. The concentrator will turn out 1,000 tons of 30 per cent ore each day and this will go by rail to the smelter, near the port of Ilo, for further treatment. Daily smelter production is expected to be 300 tons of 99 per cent pure blister copper. The lime necessary in the process is obtained locally.

The corporation owns two additional properties with ore reserves estimated to be 1½ times those of Toquepala. These are not being worked at present.

This is Peru's first venture into copper production and it hopes soon to rival its Chilean neighbours in world markets.

The project has meant much to this area of Peru where previously only subsistence farming was possible. Men who had only scratched at the soil with primitive tools now handle Euclid trucks and other complex equipment with ease and efficiency.

—W. J. JENKINS,
Assistant Commercial Secretary, Lima.

Let's Talk Export Correspondence

O. MARY HILL, *Editor, "Foreign Trade."*

"EXPORT correspondence is just like any other business correspondence. The same rules apply: be polite, be prompt, be precise. That's all an exporter needs to remember."

This generalization does contain a good deal of truth. These rules do apply to foreign correspondence of nearly every type. But some of the finer points cannot be covered by rules. Corresponding with an agent in Pakistan or with a customer in Portugal or Indo-China isn't quite the same as writing to Tom Brown in Flin Flon or Hughes & Company in Saint John. Failure to appreciate the difference, experienced foreign traders say, may mean a loss of business and certainly a loss of goodwill.

But how does export correspondence differ? What special approach does it demand? What are the techniques? What procedures should be followed? What problems does the letter-writer encounter? How should he handle them?

To obtain answers to these questions and to discover methods of carrying on export correspondence successfully, *Foreign Trade* recently interviewed six businessmen who do business in export markets. Here are the questions that we put to them and a summary of their replies.

Techniques

What is the first essential in writing to a foreign businessman?

One exporter expressed it this way: "Put yourself in his shoes." Before he begins to dictate a letter, the businessman should have a clear picture in his mind of the person to whom the letter is going. What are his habits and customs? What style of writing will appeal to him? What is the tempo of business in his country? Has he any particular taboos? What makes him different from the average Canadian customer? What is his attitude towards North Americans?

The Canadian who travels a good deal and knows his markets at first hand will not find this prescription difficult to follow. He is personally acquainted with Mahomet Ali of Lahore or Francisco Gonzalez of Lima. The stay-at-home has to get his knowledge in other ways—from books and magazines, from contact with visitors from foreign countries, or from the personnel of foreign embassies here in Canada. The consul of the country, for example, will be glad to advise about correct forms of address, the meaning of certain business terms, the more subtle problems of interpretation, and so on. As one example, before using the aggressive, get-in-there-and-sell approach, fairly common in North America in writing to an agent, it is well to make certain that it won't offend in a country where business is transacted in a more dignified, leisurely way.

How should the language problem be handled?

The majority of exporters make a practice of writing to their customers abroad in English. Some, especially those who do business in Latin America, correspond in Spanish and others can use French and German if necessary. (French should not be chosen when writing to the Scandinavian countries; English or German is preferable.) If the initial letter can be written in the customer's own language, he will appreciate the courtesy; if not, an apology for one's inability to do so will help. The customer or agent should be left free to reply in any language he chooses; translating his letter

will seldom be a problem, unless he chooses Arabic or Persian! If some doubt arises over the exact meaning of the letter, the consul of the country will help; he can be asked to certify the translation if a misunderstanding would be costly.

Can the handicaps of distance be overcome?

The obvious answer is yes—if the exporter always uses airmail. Yet there are still Canadian firms that lose business because they do not follow this rule. The fault often lies not with the exporter himself but with his mailroom. It is wise to check personally from time to time on how the mail is handled. Is it going by air? Is it properly stamped? Special airmail paper, of a quality that will stand up to handling, and a letter scale graduated in ounces up to two pounds will save a firm money. The quality and design of the letterhead is always important in export correspondence. The Canadian customer probably knows something about the firm already; a foreign contact often receives his first impression from the letter itself and the way in which it is set up. Another small point—agents abroad often prefer mail stamped rather than run through a postage metre. The reason—they acquire merit by passing on Canadian stamps to customers who are also stamp collectors.

Is it necessary to take precautions against mail going astray?

Only one of the exporters whom we interviewed worried about mail being lost. He regularly posts duplicate copies of all letters and invoices about three days after dispatching the original. If both copies arrive, the second serves as a reminder to answer the letter or pay the invoice.

When should other means of communication be used?

To obtain an order in the face of stiff competition, many exporters, especially those selling in Europe, rely on cable, long-distance telephone, or Telex when speed counts. One export house mentioned the instant attention that German and Japanese businessmen give to export orders, and their readiness to cable information, as factors in their success in foreign markets. Another spoke of the widespread use of Telex in Europe; most firms of any size there have at least one Telex machine and sometimes two or three.

Can samples and catalogues be airmailed at reasonable rates?

This question is important because quick dispatch of samples to an inquirer may mean getting his business. There is a special airmail rate on samples not accompanied by a letter. It varies with the destination: to Argentina it is ten cents an ounce and to France 15 cents. The Post Office can supply rates. A food exporter sends to agents labels from the products that he handles and suggests that they ask for samples of the ones that interest them.

Catalogues are another matter; to airmail one may cost up to three dollars, yet seamail takes six to eight weeks to certain countries. One solution is to send two or three to the agent by airmail and the remainder by sea. Samples and catalogues can be registered to guard against loss in transit.

Can anything be done to ensure replies to letters?

Getting answers to correspondence seems to be more of a problem than it is in domestic business. Some foreign businessmen do not regard promptness as an outstanding virtue and transact their business at a slower pace. In addition, some agents handle up to 150 lines and many operate with a small staff.

One Canadian company when it makes an offer of merchandise to a foreign customer sets a date on which the offer expires; another holds any offer open for only 90 days. If the order is received after that date, the firm requotes. A third businessman sends two cables offering a product; if there is no reply, he assumes that there is also no interest.

Procedures

Should every order be acknowledged by letter?

Opinions about this differ. Some firms acknowledge every order immediately, including in the letter the date on which they expect to ship the goods and the estimated time of arrival at destination. Or if the customer has not specified how he wants the goods forwarded, the letter may offer him a choice of several methods and dates of arrival. One export house that deals largely in foodstuffs for the West Indies acknowledges only very large orders; otherwise, it ships the goods at once. When the goods go forward, most exporters not only send the customer the original documents but also write an accompanying letter thanking him for the order. After the goods have reached the buyer, many companies write again to ask whether they are satisfactory; in certain cases, advice on the proper use of the product is included.

Should delays in filling or shipping an order be explained?

Any delay should be explained—immediately. Sometimes an exporter cannot quote by return mail because he must first obtain additional information. If he writes to the client promptly, this may prevent loss of the order. Otherwise, when a quotation does not arrive within a reasonable time, the agent decides that the exporter is not interested and looks for other suppliers. Shipping delays should be explained in the same way. One company apologizes for the holdup and offers to cancel the order. (Few clients take this step.)

If he cannot supply the goods, what should the exporter do?

Too often he does nothing; he simply files the letter and forgets about it. Thereby he loses goodwill not only for his own firm but also for Canadians in general. A courteous letter explaining that the firm cannot help the would-be customer at the moment is good public relations. Some exporters go a step further. If they do not handle the product ordered, they write to the client saying that they have passed his letter on to John Brown & Company, who will be glad to serve him. Some of Canada's competitors, we were told, take pains to assist foreign customers in this way.

Promotion

Can "direct mail" be used successfully in cultivating foreign markets?

Direct mail dispatched from Canada to prospects overseas is apparently not widely used, though it may be the only way to push sales in sparsely populated areas where it is not practicable to have an agent. A few export houses, however, do some business in this way. One of the major difficulties is obtaining mailing lists. One firm overcomes this by using the yellow pages of the telephone directories in Latin American cities. (These can be obtained from the Bell Telephone Company here.) For example, anxious to sell a new type of hair curler, the exporter looked up Cuban dealers in beauty-shop equipment and also beauty-shop operators. He then sent them a sales letter in Spanish, accompanied by a sample. The result: one order worth $400.00. Another source of names is the Canadian Trade Commissioner in the country. He can be asked to supply the names of the twenty largest dealers in a product. Often the exporter himself builds up a mailing list over the years and can make use of it when he has a new product to promote.

One company selling a food product obtained from a foreign chain of delicatessens a list of its best customers. The company then wrote to these persons, describing one of its products and suggesting that they stop by at the store and pick up a free sample.

In general, direct mail is less used in foreign countries than it is in North America and therefore has greater appeal—especially when the letter arrives bearing a Canadian postmark.

Can other types of sales letters be used effectively?

One obvious time to send letters direct to both agents and customers is when a company turns out a new product or an export house begins to handle a new line. Or a buyer may be interested in a complementary product. Most firms emphasize the value of including in letters small folders or pamphlets, especially if these have pictures of the product. An exporter who does business largely in the West Indies sends out circular letters, individually typed, each year when he receives his allocation under the British West Indies Trade Liberalization Plan. The letters give details about the allocation for each commodity and urge representatives to get their orders in early.

What about correspondence as a method of stimulating an agent?

Checking on an agent's performance and spurring him on can be done by letter, if the approach is tactful. One export house writes a circular letter to all its agents every three months. Another checks on its business with them every quarter and writes to those whose sales have slipped. This letter never is a reprimand; it merely inquires about the reasons why business is down.

An indirect way of encouraging the agent is to write him about any developments in his area that may mean sales—such as government plans to start a power project or to buy purebred cattle abroad. Or if the firm makes a sale, say, in Guatemala, a note to the agent in Costa Rica pointing this out may persuade him to follow suit.

Should greetings be sent on special occasions?

The outstanding occasion in most areas is, of course, Christmas. Opinion was divided about whether or not the exporter should send Christmas cards to his agents and principal customers. The majority send cards only when their relations with these people are those of personal friendship. One export house does not subscribe to this feeling; it sends special cards, rather showy and printed in Spanish, to all its Latin American contacts (Brazil excepted).

One firm reviews its business at the end of the year and afterwards writes to all the agents whose sales record has been good. This letter mentions the agent's achievement, thanks him for the business brought in, and ends with the hope that the record may be even better next year.

Problems

How can misunderstandings be avoided?

The simple answer is, "Be precise in all your correspondence in the early stages of negotiation." The experienced exporter makes clear to his correspondents the exact meaning of the terms that he uses; this is important because interpretation varies from country to country. Tons should be defined as metric, short or long; the distinction between f.a.s. and f.o.b. pointed out; "shipping time" and "delivery time" distinguished. The customer or agent should get a complete explanation of what the company's offer means. Is the price quoted in U.S. or in Canadian dollars? What are the terms of sale, allowable discounts, etc.? What are the shipping arrangements? It is also useful to include background information that will help the agent in

69543-7—3

considering the offer—freight rates and rail rates f.o.b. plant, bundled weight, and so on. The farther away the buyer lives, the more important clarity becomes; it will take time and a lot of correspondence to straighten out any problems or the end result may be a refusal of the goods and a claim. It is well to ask for the agent's advice on special types of packing, unusual documentation, and similar problems.

Is precision ever a doubtful virtue?

Occasionally an exporter chooses to be deliberately vague or to be over-optimistic about delivery dates or a possible drop in price in the near future. He hopes in this way to capture the order. This method of operation can backfire. It's a good rule, exporters told me, to put on paper only prices and delivery dates that are firm —or make clear that both may change after a certain length of time.

How should an exporter handle claims?

Once the claim has been investigated—perhaps with the help of the Trade Commissioner—and found to be reasonable, it should be settled quickly. The buyer should never get the impression from the correspondence that the company is paying up reluctantly. A letter of apology accompanying the cheque (if the firm has been at fault) helps to retain the customer's good opinion. Some exporters write and offer to withdraw the goods if there is any dispute, and then dispose of them elsewhere. Many never use the agent in handling a claim.

What is the usual technique in collecting overdue accounts?

Here too, most of the companies we interviewed prefer to write directly to the customer in arrears, though some ask the agent to make a first approach. The letters become stronger in tone as time goes on and the debt remains unpaid. (It is fair to add that few of the exporters we talked to had much trouble with bad debts.) One or two felt that a letter, however well worded, is not the best way to collect; they ask the Trade Commissioner or a bank official to pay a personal call on the debtor.

A Public Relations Job

One thing was brought out in our conversations with these firms—that every letter to a foreign customer should be looked on as an exercise both in sales promotion and in public relations. This is true of domestic correspondence; it is even more true in carrying on foreign trade. The letter that arrives overseas with a Canadian postmark must do a job not only for the sender but also for Canadian business in general. Carefully phrased, well presented, clear in meaning, and cordial in tone, it can help to maintain Canada's reputation in the export market. ●

Belgium Exports Fertilizers

CANADIAN exporters of fertilizers will find that Belgium is one of their main competitors in world markets. Although it is a small country, it is heavily industrialized and this has helped in the development of a major fertilizer industry. During the farm year 1956-57, 233 thousand metric tons of nitrogen fertilizer were produced (tons of nitrogen content), 180 thousand tons of phosphate fertilizers (tons of P_2O_5), and 152 thousand tons of potash fertilizers (tons of K_2O). These figures refer to consumption only; imports and exports are roughly in balance.

Belgian production of nitrogen fertilizers accounts for 3.5 per cent of world output. The United States, by comparison, provides 35 per cent of world production, or about one-half the Belgian per capita output. Belgium exports two-thirds of its total output, mainly to India, China and other countries in the Far East. It has also recently found openings in the Yugoslav, South Korean and Puerto Rican markets. Canada's customers for nitrogen fertilizer last year included the United States, South Korea, Mexico, Peru and Cuba; the U.S. took by far the largest share.

Belgium's large steel industry turned out some 1.1 million tons of basic slag in 1956-57, accounting for 62.5 per cent of its total production of phosphate fertilizers. While meeting its own requirements, Belgium has also been able to establish itself as a supplier to practically every country, but especially South Africa and South America. For superphosphates, however, Belgium's main customers are Poland and Yugoslavia. Most of Canada's sales of phosphate fertilizers are made to the U.S., though substantial amounts go to Colombia, South Korea, the Philippines and Hawaii.

United States, Japanese and West European producers are Belgium's main competitors in world markets. Because of relatively small nitrogen plants, Belgian firms produce at high cost, though in recent years its prices for nitrogen fertilizers have been close to those of German and French producers. This has been achieved mainly at the expense of cutting profit margins.

Italian companies still manage to produce at lower cost than Belgian. On the other hand, because of abundant supplies of basic slag, the latter have a price advantage in phosphate fertilizers. They hope that the Common Market will provide them with considerably greater sales outlets in this field.

—J. R. ROY,
Assistant Commercial Secretary, Brussels.

Commodity Notes

Aluminum

IRAN—Recent statistics show that the market for aluminum in Iran is on the upswing. Average imports until three years ago totalled about 800 tons a year, but this increased to 1,000 tons during 1958.

Aluminum is imported in the form of sheets, bars and discs. The latter, which come in diameters ranging from 20 to 70 centimetres, are imported for kitchen utensils and about 700 tons are imported every year. Sizes of sheets are normally two metres by one metre and 0.6 mm to 1.0 mm are the most popular thicknesses. Canada and the United States continue to be the most important suppliers of ingots, and the U.K. and Germany supply a high percentage of the sheets and discs.

Imported aluminum pots and pans came off the prohibited list in 1958. Although more expensive than locally made ones, the quality is superior—Tehran.

NEW ZEALAND—A £2 million aluminum fabricating plant will be built in New Zealand in the near future by Aluminium Limited, Montreal, and Northern Aluminium Company Limited of Britain. The plant, which will be a subsidiary of Northern Aluminium Co. Limited, will employ about 250 men and turn out some 5,000 tons of aluminum sheet and foil products a year, plus aluminum wire and cable for electrical transmission lines—Wellington.

Automobile Engines

BRAZIL—General Motors' new industrial plant at São José dos Campos on the Presidente Dutra highway was inaugurated in April. When completed, the plant will be the largest industrial unit in Latin America. So far it has cost Cr.$4 billion, of which Cr.$1.8 billion was provided by General Motors Overseas Corporation. Production is set at 25,000 Chevrolet engines a year at the beginning and within ten years, the factory will also make Chevrolet cars—São Paulo.

Ayurvedic Drugs

CEYLON—The Ceylon Ministry of Industries, on behalf of the Ministry of Health, has examined a scheme prepared by a private group for the establishment of an ayurvedic drugs factory to make in Ceylon all the necessary ayurvedic drugs, tinctures, etc., a majority of which are now imported, mainly from India. It is understood that a corporation would be set up under government sponsorship with private capital. Currently, the total value of imported ayurvedic drugs is estimated at Rs.780 thousand (Can.$156 thousand) a year. It is expected that the output of the factory would realize a gross sales turnover of Rs.750 thousand (Can.$150 thousand). Estimated capital cost of this factory is Rs.986,250 (Can.$197,250)—Colombo.

Filters

BRAZIL—A new company, Sparkler S.A. Industria e Comercio de Filtros, has been formed in São Paulo with Brazilian capital to make industrial and domestic filters with direct technical assistance from the Sparkler Manufacturing Company of Illinois—São Paulo.

Foodgrain

PAKISTAN—During the current year Pakistan is expected to spend only $20 million from its cash resources for imports of food. Total expenditure on imports of foodgrain in 1958 from its own resources was $32 million, and this was in addition to what was available from foreign aid. Expenditure on imported foodgrain in 1957 totalled $62 million. These figures indicate to what extent Pakistan is pressing its policy for self-sufficiency in food—Karachi.

Fur

NORWAY—At the third Oslo fur auction of the season, from March 3 to 6, 76,416 mink skins were offered for sale (87,447 last year), 837 silver foxes (1,930), 6,845 saga blue foxes (2,600), and 7,800 ordinary blue foxes (2,800). Although the collections of mink and fox were inferior to the January collections, practically all the skins found buyers at firm prices.

Exceptional interest was displayed in the rarer types of mutation mink that were presented this time. There were 21,049 dark mink offered compared with 19,800 in 1958; pastels totalled 33,048 (54,000), silverblues 6,116 (7,900), sapphires 6,793 (4,600), white mink 4,077 (1,147), homozygous pastels 2,946 (nil), homozygous silverblues 2,056 (nil) and homozygous sapphires 331 (nil).

69543-7—3½

Average and maximum prices respectively for males were as follows ($1.00=kr.7.37): dark mink kr.166 and 350, pastels kr.180 and 280, silverblues kr.112 and 185, sapphires kr.162 and 270, white mink kr.190 and 310, homozygous pastels kr.230 and 280, homozygous silverblues kr.336 and 430, homozygous sapphires kr.415 and 490, silver foxes kr.69 and 130, saga blue foxes kr.226 and 345, and ordinary blue foxes kr.184, average price—Oslo.

Laminated Plastics

NEW ZEALAND—Formica (N.Z.) Limited has been formed in Auckland to make decorative laminated plastics. A factory site has been bought and building will begin soon. The new company is a subsidiary of Formica Limited, London, and has a capital of £250 thousand—Wellington.

Newsprint

CHILE—According to a local press report, Chilean newsprint production for 1959 is expected to be increased from 40,000 to 60,000 tons. The Bio-Bio factory, since its installation in November 1957 and up to December 1958, exported 21,120 tons to the Latin American Republics. In January and February 1959, 10,000 tons were exported to these countries—Santiago.

NEW ZEALAND—The Tasman Pulp and Paper Co. Limited recently shipped 600 tons of newsprint to Malaya and Hong Kong. The *Straits Times,* Malaya's leading newspaper, is taking part of the shipment and the remainder is for the *South China Morning Post* at Hong Kong—Wellington.

Oil Products

AUSTRALIA—Exports of oil products last year rose by 480 thousand tons to 1,356,000 tons. Shipments went mainly to New Zealand, Singapore and Aden. Other 1958 statistics released by the Department of National Development show that motorists used more than 100 million gallons of gas a month; Australian consumption of all oil products reached 8.5 million tons, and output of Australian oil refineries totalled nearly nine million tons, or about 12 per cent more than in 1957. With premium grade becoming more popular, sales of oil in 1958 reached 1,060 million gallons, 8 per cent more than in 1957—Sydney.

Pulp and Paper

SWEDEN—SCA (Svenska Cellulosa AB.) has decided to invest Sw.kr.115 million in the following:

(1) A kraft paper mill will be built in Munksund with a yearly production capacity of 100 thousand tons. Construction will start as soon as possible, will take three years, and will cost an estimated Sw.kr.75 million. There is already a sulphate pulp mill on the spot.

(2) Bleaching facilities at the Ostrand sulphate pulp mill will be extended. Work will take about two and a half years and will cost about Sw.kr.30 million. The mill will go over entirely to chlorine-dioxide bleaching; total production will be bleached.

(3) New washing and boiling plants will be erected at the Obbola sulphate pulp mill, at an estimated cost of Sw.kr.10 million.

All of these investments can be carried out without interfering with current production—Stockholm.

Rubber Products

IRAN—The B.F. Goodrich Company, with a number of Iranian businessmen, formed a new company on March 17 called B. F. Goodrich Iran. The cost of establishing it was announced to be about $6 million. Fifty-five per cent of the capital is held by B. F. Goodrich of the United States and the remainder by Iranians; some of it will be raised locally through Bank Melli of Iran.

At the outset, the plant will make tires and tubes for trucks and passenger cars, and certain industrial rubber products such as conveyor and transmission belts. During the first two years of operation it will supply about 60 per cent of Iran's tire needs and, as production increases, some may be sold to other countries. A good share of the materials—including raw rubber—will be imported. The machinery, such as open mills and presses, will come from the U.S.—Tehran.

Sodium Hydrosulfite

ARGENTINA—A sodium hydrosulphite plant began production on March 20 in San Nicolas, Province of Buenos Aires. Capitalized at 42 million pesos, the plant is operated by Messrs. La Quimica S.A. of Buenos Aires and Messrs. Basf Badische Anilin & Soda Fabrik A.G., Ludwigshafen Rhein of Germany. All of the primary materials needed are available locally, and the plant's production will meet all Argentine demand for sodium hydrosulphite—Buenos Aires.

Sugar

BRAZIL—An important aspect of the new International Sugar Agreement is the adherence of Brazil and Peru, whose combined annual exports exceed one million tons (Brazil did not adhere to the previous agreement). Brazil has been given a basic export quota of 550 thousand metric tons and Peru one of 490 thousand.

Brazil's production in the 1958-59 season has been estimated at 2.9 million tons and consumption at 2.2 million, leaving a surplus of 780 thousand tons. With a carryover of 120 thousand tons from the previous season, there is now some 900 thousand tons available, against which there is a basic export quota of 550 thousand tons—São Paulo.

Tourists explore Front Street shops in Hamilton, Bermuda.

Bermuda's Import Trade

Last year, Canada increased its sales to Bermuda almost 16 per cent over 1957. Maintaining this pace depends on meeting competition and paying attention to needs of this specialized market.

S. V. ALLEN,
Deputy Consul General (Commercial), New York.

THE world is beating a path to Bermuda's door with appealing, well-priced merchandise suited to a local high standard of comfort and living and to the special needs of the visiting tourist. Many of the attractive retail department and unit stores in Hamilton would do credit to Fifth Avenue in New York. Goods of high quality and taste are well displayed and merchandised and are obviously bought and sold competitively. Frequently they retail at much less than in the country of origin.

Some non-tourist staple lines, however, show the effect of distance from the sources of supply and illustrate how dependent Bermuda is on foreign suppliers for its essential needs.

The growth in Bermuda's imports in 1958 over 1957 and the share of the trade enjoyed by the principal suppliers are shown below:

BERMUDA'S PRINCIPAL SUPPLIERS

	1957	1958	1958 Increase over 1957
	£	£	%
Imports From:			
United States	8,123,451	8,534,908	5.0
United Kingdom	3,156,151	3,790,127	20.1
Canada	1,056,820	1,234,165	15.8
Other countries	3,485,133	3,587,758	2.9
Total Imports	15,821,555	17,146,958	8.3

Total imports in 1958 were the highest ever recorded. Detailed figures on commodity imports for the year will not be available until later in the year, but Canadian export returns reveal important changes in some of our exports to Bermuda during the past three years. These are apparent from the following table:

SELECTED CANADIAN EXPORTS TO BERMUDA, 1956-1958

	1956	1957	1958	1958 against 1956
	(thousands of dollars)			
Whisky	374.2	371.7	422.3	*+48.1
Wheat flour	225.6	184.7	191.0	†−34.6
Wood furniture	73.4	84.8	115.0	+41.6
Spruce planks and boards	72.3	101.9	91.7	+19.4
Eggs	123.4	60.4	89.2	−34.2
Beef and veal, fresh	101.6	89.2	86.8	−14.8
Newsprint	52.7	59.9	78.4	+15.8
Manufactures of paper	24.6	63.3	63.2	+18.6
Bacons and hams, cured or smoked	59.6	38.3	62.6	+ 3.0
Paints, n.o.p.	18.4	30.0	50.9	+32.5
Metal furniture	32.8	32.6	48.5	+15.7
Canned peas	39.1	48.0	42.8	+ 3.7
Pine planks and boards	24.4	44.4	40.9	+16.5
Salt cod, boneless	30.9	33.9	37.6	+ 6.7
Cod, light and heavy salted	36.4	37.8	35.0	− 1.4
Medicinal preparations	33.9	33.1	34.5	+ 0.6
Jewellery	23.9	38.6	28.7	+ 4.8

*+=increase, †−=decrease

The commodities listed above accounted for about 50 per cent of Canada's total exports to Bermuda in 1958. The balance of about $1.5 million involved relatively small sales of hundreds of other items in which over 300 Canadian firms participated.

Although the over-all gain recorded last year in our trade with this relatively small but selective market was satisfactory, it is clear that many items have been meeting with increased competition and our sales of these are not as large as they used to be. Many products formerly imported from Canada are now supplied from the United States and elsewhere. Under present conditions, it is doubtful whether Canada can recapture its more prominent position as a supplier to Bermuda in the postwar years 1947 and 1948, when its share of the trade totalled four or five million dollars.

Trade Could Be Increased

Nevertheless, Bermuda's purchases of some Canadian commodities have recently exhibited encouraging increases. More frequent visits by Canadian exporters to Bermuda en route to or from the West Indies and other territories to the south have helped. Assuming continued growth in Bermuda's modest industrial development and the expected increase in its tourist trade, Canadian exporters can hope to boost their trade with that market in those products in which we are normally competitive and continue to be so.

The market is an exacting one and calls for particular attention to distribution arrangements. There are few if any firms that act solely as commission agents. Some successful exporters of staple lines do not confine sales to individual importing distributors but sell to several large firms without favour. Others by nature of their business can only succeed by selecting the most favourable single importer as their sole customer and distributor. The choice of channel and method of sale must be related to individual circumstances and based on careful investigation.

Points for Exporters

Some complaints were made to me about the failure of Canadian firms to use airmail or to reply promptly to urgent correspondence. Delayed customs and shipping documents frequently penalize importers of Canadian goods. Other firms seem to feel that Canadian exporters should meet the more favourable credit and shipping terms offered by competitors. For example, open account shipping by certain U.S. firms, with billings quarterly, has become a practice for some well-established firms since control over dollar imports has been virtually abolished. A few complaints concerned the loss of export autonomy on the part of Canadian subsidiary companies and the consequent dissolution of old-time connections between Bermuda firms and Canadian shippers who had pioneered the market.

As seen from Bermuda, a phenomenal shift of sources for many products selling under truly competitive conditions has taken place in the past two years. Apart from price considerations, many such adjustments in sources have been made by individual companies to meet over-all taxation and other internal company problems. However, the quality of services rendered by overseas exporters still has a strong influence on the direction of trade even when certain factors, such as the premium on the Canadian dollar, are slightly unfavourable.

Bermuda is one part of the British Commonwealth that applies a relatively liberal policy to imports from dollar areas. Present import restrictions apply to only a few minor items. Although the total trade in some products is not impressive, the outlook for Canadian exporters already established in the market, and others who have saleable and competitive products, is distinctly encouraging—especially if they will pay attention to the problems already mentioned. Even greater use of Bermuda's tourist facilities by Canadians would enhance our prospects of selling more in this small but active market. In some quarters it is felt that we do not pull our weight in providing dollar exchange to finance Bermuda's imports from Canada.

See also "Business in Bermuda" in Foreign Trade *of May 9, 1959.*

Data for Exporters

The International Trade Relations Branch of the Department of Trade and Commerce has prepared bulletins covering shipping documents and customs regulations of the following countries: Argentina, Australia, Austria, Belgian Congo, Belgium, Brazil, Chile, Colombia, Cuba, Denmark, Dominican Republic, East Africa, Egypt, El Salvador, Finland, France, West Germany, Ghana, Greece, Guatemala, Haiti, Indonesia, Israel, Italy, Japan, Mauritius, Mexico, Netherlands, Netherlands Antilles, New Zealand, Nicaragua, Norway, Panama, Peru, Portugal, Spain, Surinam, Sweden, Switzerland, United States, and Venezuela. The United Kingdom certificate of origin requirements and other conditions under which Imperial Preference is granted are covered by Notice No. 27 A issued by the United Kingdom Commissioner of Customs and Excise.

Other pamphlets issued by the Branch include "Requirements for Shipping Documents in Europe and Latin America" and "Import Control Regulations and Tariff Treatment of Canadian Goods", both brief summaries in tabular form, and an outline of "Tariff Preferences for Canadian Goods Abroad." For copies of any of these pamphlets, readers should write directly to the Branch. Data on other countries will be compiled from time to time and they will be added to the list.

ITALY TODAY

POPULATION AREA TERRAIN CLIMATE AGRICULTURE INDUSTRY IMPORTS EXPORTS TARIFFS AGENTS PRICES COMPETITION

K.F. OSMOND, Commercial Secretary in Rome, begins a Canada-wide tour in Vancouver on June 1st. Before leaving Italy he wrote this report to provide a general picture of conditions there for the businessmen he will meet during his tour. Details of his itinerary are given on page 36. Mr. Osmond joined the Trade Commissioner Service in 1954 after serving as a member of the Newfoundland Fisheries Board and as Chief of the Markets and Economics Branch, Federal Department of Fisheries, Newfoundland area. He was posted to Rome in 1955. Later this year, Mr. Osmond will transfer to Accra, Ghana, as Commercial Secretary.

ITALY'S 49 million people make it one of the most densely populated countries in Western Europe. The country covers a total area of 116 thousand square miles (slightly less than one-third that of Ontario), is approximately 760 miles long, 150 miles wide, and has a coastline of some 2,500 miles. The boot-shaped mainland accounts for 84 per cent of the total area and the islands of Sicily (9,925 square miles) and Sardinia (9,300 square miles) make up the remainder. Two-fifths of the terrain is mountainous and largely forested, two-fifths is hilly—about half of it arable—and one-fifth consists of plains land.

The climate varies from temperate in the north to subtropic in parts of the far south. Winter temperatures are moderately severe in the mountainous regions, but the coastal lowlands have a mild climate, averaging 45 degrees F. in January and 78 degrees F. in July.

Agriculture and Industry

Although the land is mainly mountainous or hilly and its geological structure makes land conservation difficult, agriculture is of great importance to the Italian economy. It employs just over 32 per cent of the labour force and contributes about one-fourth of the net private national product. Wheat is the staple crop and occupies more than one-third of the arable area. Production in 1958 reached the record figure of over 9.8 million metric tons. Other crops of economic importance are maize, tomatoes, sugar beets, grapes, olives, citrus fruits, apples, pears, peaches, almonds and walnuts. Mechanization has progressed rapidly in recent years and the number of farm tractors and other agricultural machines has about tripled since 1951.

Italy's industrial output has expanded very rapidly, in fact, has more than doubled since 1948. Industry now provides almost half of the net national product and employs 37 per cent of the working population. The most important groups are the engineering, building, food, chemical and metal industries. In 1958 these five branches alone accounted for 50 per cent of the persons employed in industry and provided 67.6 per cent of the net industrial product. Italy's industries are, for the most part, centred in the northern part of the country. However, in the last few years, the Cassa per il Mezzogiorno (The Fund for the South) has been active in financing industrial undertakings in the south and the imbalance between the two regions is slowly but steadily being corrected.

Economic Position Strong

Italy's economy has enjoyed a period of consistent boom during the past few years. The rate of economic growth slowed down somewhat in 1958, but there were few signs of a real recession. Preliminary estimates show that the gross national product in real terms increased by about 3.5 per cent compared with 5.6 per cent in 1957 and 4.1 per cent in 1956.

Last year industrial output rose by only 2.1 per cent over 1957, whereas in 1957 it was 8 per cent higher than in 1956. On the other hand, agricultural production increased by about 6 per cent over 1957 and partly offset the effects of the decline in industrial expansion.

The national wholesale price index fell slightly, but retail prices and the cost-of-living index rose. Wages

more than kept pace with this increase and the number of employed reached record levels in 1958. Nevertheless, unemployment continues to be a real problem, and the monthly average of registered unemployed during the year stood at 1,650,000.

According to latest available figures, Italy's over-all trade deficit at the end of 1958 was 43.7 per cent smaller than at the close of 1957. The improvement in the trade balance was accompanied by a net increase in invisible earnings; as a result, by the end of the year Italy's foreign exchange reserves had reached a total of more than US$2.2 billion. This figure is the third highest in the free world outside of the United States.

Trade Pattern

Although Italy is well on the way to becoming a modern industrial state, its raw material resources are extremely limited and raw and mainly unmanufactured materials for industry make up the bulk of its imports. Exports, on the other hand, consist mostly of finished goods. The principal imports and suppliers during 1958 are shown in the following table:

ITALY'S IMPORTS IN 1958

Principal Commodities	(million US$)
Non-metallic minerals	637.3
Industrial machinery and parts	255.2
Chemicals	204.9
Metal ores and scrap	182.5
Raw wool	130.0
Raw cotton	110.7
Iron and steel blooms and ingots	102.1
Fresh and frozen meats	90.2
Coffee	83.0
Softwood, sawn	80.9
Raw skins (other than furs)	46.2
Oils and fats for industrial purposes	40.4
Maize	40.2
Other non-precious metals and their alloys	40.0
Pulp for paper mills	37.5
Eggs	36.7
Oilseeds	36.5
Principal Suppliers	(million US$)
United States	513.7
West Germany	384.1
United Kingdom	174.0
France	150.1
Austria	148.8
Saudi Arabia	119.6
Switzerland	101.2
Iraq	100.0
Australia	95.3
Netherlands	81.6
Argentina	76.9
Denmark	69.2

Italian imports in 1958 were valued at the equivalent of US$3,168.9 million, a drop of 13.7 per cent compared with the previous year's figure of US$3,673.6 million. Exports at US$2,536.2 million were onl[y] slightly down from 1957's US$2,549.7 million. Th[e] decrease in the value of purchases from abroad ca[n] be attributed not only to a fall in volume (due in par[t] to exceptionally high imports in 1957), but also t[o] lower freight rates and lower prices for many basi[c] raw materials.

Trade with Canada

Trade between Italy and Canada has grown steadil[y] over the past few years despite smaller shipments o[f] Canadian wheat because of the outstanding increase[s] in Italy's own wheat production. In 1957, imports an[d] exports between the two countries reached recor[d] heights. However, Canadian exports to Italy fell sharpl[y] in 1958, mainly because they were exceptionally larg[e] in 1957. Recessionary elements in Italy, real or feared and rather notable price considerations were also fac[-] tors. The following table shows the trade exchanges fo[r] the past four years.

ITALIAN-CANADIAN TRADE

(in millions of dollars)

	1958	1957	1956	1955
Exports to Italy	29.9	62.8	37.7	27.6
Imports from Italy	32.8	33.0	25.0	18.5
	62.7	95.8	62.7	46.1
Balance	— 2.9	+29.8	+12.7	+ 9.1

DBS figures

The balance of trade between Canada and Italy i[n] 1958 was in Italy's favour for the first time since th[e] war. Italy's earnings of Canadian dollars are also con[-] siderably augmented by returns from invisibles suc[h] as shipping, tourism, and immigrants' remittances whic[h] are steadily growing in importance.

Our leading exports to Italy are metals, includin[g] nickel, iron, copper and aluminum, mainly in the pri[-] mary forms. These are followed by rapeseed, drugs an[d] chemicals (including synthetic rubber), asbestos, lum[-] ber, wood pulp, salted cod and canned salmon, hide[s] and skins, and wool rags and waste.

A wide variety of Italian goods are sold in Canada the most important are woollen fabrics, machines o[f] various kinds, especially machine tools and machine[s] for the textile industries, and various types of busines[s] machines. Other items of significance include oil-we[ll] casings, tomatoes, cherries in brine, wines, boots an[d] shoes, church articles, olive oil, synthetic fabric[s] chemicals and marble.

Import Tariff System

A new Italian customs tariff, based on the nomen[-] clature of the Customs Co-operation Council, was intro[-] duced on February 1, 1959, (see *Foreign Trade* o[f]

April 11). Virtually all duties are ad valorem, expressed as a percentage of the dutiable value (i.e. the normal price of the goods, including all expenses incurred in their sale and delivery to the port or place of introduction into the Italian customs territory).

The Italian tariff comprises three columns of customs duties—general, conventional, and temporarily reduced rates. The conventional rates are reductions from general duties negotiated under the GATT and in separate agreements with certain countries. Canada is among the many countries that are legally entitled to conventional duties wherever they are provided. The temporarily reduced duties are lowest and may be changed unilaterally at any time.

In addition to the regular import duties there is an administrative fee of 0.5 per cent ad valorem on the dutiable value, a statistical fee of 10 lire ($0.02) per metric quintal (220.46 lb.) of gross weight. Other minor customs fees include port charges, unloading charges, and porterage.

At the beginning of this year, Italy, with the other countries of the European Economic Community, reduced by 10 per cent all duties on imports from the other members of the Community. The Common Market countries decided to make many of these reductions simultaneously applicable to imports from non-member countries entitled to most-favoured-nation treatment, including Canada. There are several notable exceptions and qualifications to these reductions which were described in some detail in an article dealing with France in the April 11 issue of *Foreign Trade*. Italy has so far made such tariff reductions to non-members of the Common Market on certain items in 26 tariff chapters out of a total of 99 chapters. It is understood that reductions on some items in the remaining chapters will be announced later.

Use of Agents Recommended

Although some exporters prefer to deal directly with importers, the appointment of an agent or agents is recommended for maximum coverage of this market. The commercial and industrial centres of Italy are in the north. Consequently, most firms find it to their advantage to appoint representatives in Milan or one of the other northern industrial cities. This does not mean that agents in other parts of Italy, because of their location, are not able to handle business efficiently. Transportation facilities are now of such a high order that an agent is able, in case of need, to travel quickly to the main economic centres of the country. Experience has shown, however, that an agent located south of Rome is not always in touch with the business life of the north. Therefore, if the Canadian exporter has a market both in the north and extreme south of the country it may be advisable for him to have an agent in each of these areas.

Italy is a price market and in order to meet competition, particularly from countries in Europe which have a freight advantage, price quotations should be kept as low as possible. Prices may be quoted f.o.b. Canadian port of shipment, but c.i.f. Italian port is the preferred basis.

Most Italian importers do not object to terms that require the establishment of a letter of credit before shipment. However, in a considerable number of lines cash against documents basis is insisted upon by importers. Canadians may also encounter competition from some European suppliers who advance term credits to Italian importers.

Canadian firms wishing to introduce new products in Italy are strongly advised to submit descriptive literature and, where feasible, samples of their goods. This is particularly important in cases where the Commercial Counsellor's office is asked to conduct a market survey.

Information about licensing requirements for particular commodities, as well as copies of a bulletin on shipping documents and customs regulations for Italy, may be obtained from the International Trade Relations Branch of the Department.

Outlook for Canadian Trade

Because of Italy's strong foreign exchange position and the introduction of external convertibility at the end of 1958, there are good possibilities of further liberalization of imports from the dollar area in the not too distant future. If this happens Canadian exporters should be able to win a larger share of the Italian market, provided their prices are competitive.

Immediate future effects that the European Common Market may have on Canada's export trade with Italy are somewhat obscure. For some products there will undoubtedly be much stiffer competition than has been experienced before. Only as further experience is gained will it be possible to foresee the long-range effect of the Common Market on Canada's exports to this country.

Last month the Southern Italy Development Fund borrowed $70 million by bond issues in the New York Investment market, and in loans from the European Investment Bank and the World Bank. The EIB and World Bank loans were made for three projects in Italy's southern development program. They are the 210,000 kw. Mercure thermal power project south of Naples, needed to meet the growing demand for power in the area, and two industrial projects in Sicily, the Sincat and Celene petrochemical plants near Augusta. These two projects together will form one of the most complete industrial complexes in Europe, located in an area with the natural advantages of locally available raw materials.

South Africa Seeks Foreign Capital

Overseas investors are showing increased interest in South African development, especially gold mining. Here is information on exchange regulations governing transfer of investment funds—and some comment on how this inflow will aid the Union's development and broaden its trade.

IAN V. MACDONALD,
Assistant Trade Commissioner, Johannesburg.

SOUTH AFRICA is seeking today to emulate Canada in attracting large overseas investment to improve its balance-of-payments position. Many businessmen in the Union have become convinced that a sizable inflow of foreign funds is the only means of abolishing restrictions on imports and payments, and of attaining optimum industrial development and higher living standards.

Already this program has made progress; in the past two years, considerable direct and portfolio investment by overseas residents has taken place. This has augmented foreign holdings that were already valued at £1.4 billion at the end of 1956. Within the last few months, foreign private and institutional investors have become substantial buyers of South African gold-mining shares as record production figures, high yields and gold-price revaluation rumours arouse their interest.

Britain Is Largest Investor

Chief among South Africa's overseas suppliers of capital is the United Kingdom, whose investors at present hold approximately £900 million in South African assets. Second comes the United States with about £190 million, followed by France with £75 million, the International Monetary Fund and International Bank for Reconstruction and Development with £67 million, and the rest of the world with £218 million. The leading attraction for investment funds from overseas is the South African mining industry; non-residents hold a share in it worth approximately £455 million, with investments in manufacturing amounting to £303 million, wholesale and retail trade £149 million, insurance £29 million, other financial organizations £196 million, and all other types £83 million. United States investments are chiefly concentrated in mining, manufacturing and trade, and French ones are confined almost entirely to the mining industry.

Direct Investment Predominates

Portfolio investment in South African companies has received considerable publicity in recent months through the establishment of the American-South African Investment Company, in which Mr. Charles Engelhart, an American industrialist, has played a leading part. However, it is believed that direct investment by overseas firms in South African subsidiaries still predominates in nearly all categories and accounts for over £800 million (or about 58 per cent) of the total. Of present overseas holdings in the Union, at least £700 million represents investment since the war. The total amount of foreign investment does not correspond with the flow of equity funds from abroad which actually amounted to about one-quarter of the total £1.4 billion. The remainder was made up of reinvested profits, loans, fixed-interest securities, and appreciation in the market valuation of shares.

South Africa welcomes foreign investment, whether it be in the form of equity or loan capital. What is particularly needed is risk capital for new development, especially when this is combined with specialized overseas skills and know-how. South Africans have a relatively high rate of saving but in recent years these savings have gone largely to domestic financial institutions that are not prepared to advance or are precluded by law from supplying the risk capital that is so much in demand.

In addition to South Africa's normal capital requirements, very large additional funds will have to be found if the planned industrial development of the native reserves is undertaken. The Bantu Investment Corporation Bill, recently introduced into Parliament by the Government for discussion, would assist natives to establish their own enterprises in the native areas, at the same time encouraging the native community, both inside and outside the reserves, to invest their savings in such ventures. It is thought that overseas loan capital rather than equity capital will be sought for development of these areas although little is known about financing plans to date.

The Gold-Mining Industry

For many overseas investors, the gold-mining industry in South Africa exercises the greatest fascination. New discoveries, increased earnings, record production and impressive profits have led to a reassessment of gold-mining shares as an element in a diversified portfolio. In January an announcement by the Free State Geduld Mine (Anglo-American Corporation) of a very rich strike on its property caused market values of the Free State gold shares to appreciate by £20 million and generally attracted new attention to the South African industry. Despite inflationary influences, gold shares have offered good prospects for capital gains as well as yields well in access of those available from similar-type investments elsewhere. Furthermore the possibility (however remote) of a revaluation in the official price of gold has drawn the attention of speculators to the South African gold-mining companies which stand to benefit greatly from any rise in the price of their product. Even at the present fixed price of $35 per ounce, the gold-mining industry is showing good profits and many of the newer mines are increasing their dividend payments substantially. This fact affords an interesting contrast to the trend of profits in the extractive industries of many other countries.

Overseas demand for South African gold shares (or "kaffirs" as they are commonly called) traditionally has come chiefly from the United Kingdom and France, and to a lesser extent from Switzerland and Belgium. Recently the demand from the United States has strengthened, with large individual buying orders and the formation of the £10 million American-South

African Investment Company. This firm has obtained its shares, for the most part, direct from the South African mining groups. The American-South African Company, like the shares of financial holding companies in South Africa, is said to provide American investors with a convenient means of obtaining diversification in a number of mining ventures, although this advantage may be offset to some extent by lower yields. Further confirmation of growing U.S. interest in South Africa is the establishment of branch banks by the Chase Manhattan Bank and First National City Bank of New York; the former was opened in February of this year by Mr. David Rockefeller.

Transfer Facilities

South African exchange regulations require that funds for investment purposes be transferred to South Africa in an "approved manner"—that is, in the case of a Canadian investor, that the funds be transferred in Canadian or United States dollars, thus qualifying the purchaser to reconvert the proceeds of sales of the shares to dollars, including any capital gain and dividends realized. However, non-residents are restricted somewhat in banking facilities in South Africa because, under present exchange regulations, banks are not permitted to extend credit or margin facilities to overseas investors. Canadian banks also would be unlikely to finance South African or other non-Canadian share purchases unless these were listed and readily negotiable on the Canadian Stock Exchange.

The procedure followed by overseas residents wishing to purchase South African gold-mining shares is relatively uncomplicated. After deciding on the nature and the amount of the investment, the foreign purchaser may ask his bank to transfer the necessary funds to its correspondent bank in Johannesburg which will arrange purchase of the shares. These must then be registered, either in the name of the investor, the name of his domestic bank, or the name of a South African nominee. Preferably the certificates should be held by the Johannesburg corresponding bank, but could easily be forwarded to a foreign address if required. Channelling securities transactions through banking institutions has the advantage of safeguarding the investor through the use of bank identification codes.

Significance of Foreign Investment

Increased foreign investment is of crucial importance in the strengthening of South Africa's competitive position in world markets but it is also important to South Africa's trading partners. Such investment not only means foreign exchange earnings for the investor countries, but also benefits indirectly Commonwealth and other exporters whose products are in demand in South Africa but whose sales have been restricted, or face restriction, because of import control imposed by the Union authorities. These import restrictions arise primarily from a shortage of foreign exchange which an increased capital flow would tend to alleviate or eliminate. But overseas buying of South African securities, especially gold-mining shares, will probably be based primarily on a hard assessment of their investment merits. These are described succinctly by a well-known London financial editor as "a combination of reasonably high yields, a political climate good for capitalism, a hedge against world recession and a hedge against devaluation of all currencies."

Tours of Territory

M. P. CARSON, Trade Commissioner in Singapore, will visit Kuala Lumpur from June 3-5.

M. R. M. DALE, Trade Commissioner in Cape Town, South Africa, will visit South West Africa from May 20-June 8.

L. D. R. DYKE, Assistant Commercial Secretary in Athens, Greece, will visit Turkey during the last two weeks of May.

A. W. EVANS, Trade Commissioner in Liverpool, England, will visit Stoke on Trent, Derby, Nottingham, Lincoln, Kendal and Preston from May 25-June 4.

R. D. SIRRS, Assistant Commercial Secretary in Caracas, Venezuela, will visit Maracaibo, Aruba, and Curaçao towards the middle of June.

R. G. WOOLHAM, Assistant Commercial Secretary in Tokyo, Japan, will visit Seoul, Korea, from June 1-5.

Businessmen who would like these officers to undertake assignments should get in touch with them at their posts as soon as possible. Write to Mr. Carson at Singapore, Mr. Dale at Cape Town, Mr. Dyke at Athens, Mr. Evans at Liverpool, Mr. Sirrs at Caracas, and Mr. Woolham at Tokyo.

Your best approach to the

Detroit Market for Automotive Parts

is described by the man on the spot—M. J. Vechsler,
Consul and Trade Commissioner, Detroit.

CANADIAN manufacturers and suppliers will be interested in the possibilities and the ways and means of making sales to the three largest automotive companies in the United States. To get the details, I consulted officials in the purchasing departments of General Motors, Chrysler Corporation and the Ford Company, which operate in Michigan and in other parts of the U.S. The information I received bears striking similarities in many respects.

Canadian Offers Are Welcome

To begin with, all three pointed out how infrequently they were approached by Canadian manufacturers and suppliers, and said they would welcome offers from Canadians. One firm indicated that it had received practically no offers from Canadian suppliers, though it was negotiating with a Canadian subsidiary of an American firm whose prices appeared to be competitive. The second could think of only two firms that had approached it, and from which it is currently buying; the third said that it was purchasing regularly from two Canadian suppliers.

In all three cases, however, it was pointed out that the initiative would have to come from the Canadians. It is not the practice of the three big companies, except on rare occasions, to go out of their way to look for suppliers. Generally speaking, they buy from those who actually come forward and make themselves known. On the other hand, the heads of the various purchasing departments, or a member of their staffs, would be glad to see and help any Canadian businessmen who might call on them.

Purchasing Guides

All three firms publish purchasing guides which are available on request. The one issued by the Chrysler Corporation, *Doing Business with The Chrysler Corporation,* may be obtained by writing to the Corporate Purchasing Office and Control Buying Office, P.O. Box 1919, Detroit 31, Michigan. This describes how Chrysler's needs are met (civilian and defence), its purchasing policy, how and when to sell to Chrysler, plants and products (civilian and defence), how the company's purchasing is organized, and includes a directory of purchasing locations and representatives.

The Ford Motor Company's guide may be obtained from the Vice-President, Purchasing, The American Road, Dearborn, Michigan. This guide outlines what the firm requires from its suppliers and how it selects them, what it buys and how it is organized, who purchases what, and policies followed. It also touches on how procurement works, how commitments are made, and other information.

The directory of General Motors' purchasing departments, with the listing of the firm's principal products, can be got from the Executive in Charge, Procurement and Schedules Activities, General Motors Corporation, General Motors Building, Detroit, Michigan. The directory lists the 52 divisions in the Corporation throughout the United States and includes a keyed listing of principal G.M. products (civilian and defence).

Canadians will get some idea of the volume and extent of the purchases of these firms from the following figures: In 1955, General Motors paid over $6 billion to over 21,000 direct suppliers. In a typical year, the Ford Motor Company purchases approximately $3.5 billion worth of materials and services. The Chrysler Corporation buys some $2 billion worth of materials annually, from about 8,000 suppliers.

How the Companies Buy

All three firms indicated that they prefer to deal direct, if possible. Furthermore, although they do not maintain "approved" lists of suppliers, and though they are always on the lookout for potential suppliers, they prefer to spread their orders over two, three, or more of them for their own protection.

Sales to the automotive industry are what may be termed a long-run proposition. The potential supplier has to go into the matter thoroughly and cannot expect immediate results. Many of the tools and machined parts are bought two years or more before the model comes out, and commitments for routine items are also usually effected some two years in advance. Heavy emphasis is placed on service and the ability to meet day-to-day requirements. Canadian suppliers to the automotive industry in this country may be unaware that liaison between the U.S. firm and the Canadian

subsidiary is, in reality, generally one-way—the Canadian subsidiary is advised of U.S. sources of supply, but the opposite procedure is rare.

Setting Prices

Pricing is another important factor mentioned by the "big three". In many cases, it is alleged, Canadian firms tend to fix prices (including duties) at slightly below the delivered price of equivalent American-made products. As a result, these prices may not reflect the real cost or competitiveness of the Canadian supplier. The big companies pointed out that this same situation was encountered with West Coast U.S. suppliers to West Coast assembly plants, who fixed prices at slightly less than the prices (plus transportation) offered by Detroit area suppliers. These West Coast firms were eventually persuaded to price on the basis of their own costs plus reasonable profit.

The purchasing manager of one automotive firm felt that there were many Canadian manufacturers in central and western Ontario who could sell competitively to the automotive industry in the U.S. But he emphasized first, that they should develop a more realistic approach to pricing, i.e., from the point of view of cost, rather than what the market will bear, and second that they must go out after the business. He felt that Canadian firms have been far too conservative and appear to have been satisfied with the business they could develop at home.

In emphasizing the need for a direct, personal approach, the big companies indicated that there would be little or no value in Canadian firms sending promotional literature and catalogues to the purchasing departments of the various divisions. Purchasing managers, as a rule, deal only directly with firms' representatives. •

What's doing in

Belgium's Pulp and Paper Industry?

√ paper production up √ imports continue heavy √ Scandinavia main supplier √ Canadian sales small but steady

J. R. ROY, *Assistant Commercial Secretary, Brussels.*

BELGIUM, a country with an area of less than 12,000 square miles, of which little is forest land, boasts nevertheless a paper industry of some importance. It turns out about 5.5 per cent of the country's net production of wholly and semi-manufactured goods and employs about 9,000 people. (This is 17 per cent of the number similarly employed in Canada.)

Imports Needed

With its current productive capacity and ability to withstand strong competition from nearby countries, Belgium could fill about 70 per cent of its paper needs. However, it still imports roughly 48 per cent of its requirements. The following table gives consumption and production statistics for 1957. On the whole, production of all types of paper has about doubled since 1939.

Compared with its neighbours, Belgium buys a relatively large proportion of its paper from other countries. Newsprint imports, for example, account for 52

BELGIAN CONSUMPTION AND PRODUCTION OF PAPER AND CARDBOARD, 1957

	Consumption	Production
	(metric tons)*	
Newsprint	113,111	85,485
Writing and printing paper	131,900	96,115
Kraft paper	78,336	32,357
Parchment paper	15,983	17,040
Wrapping paper	71,372	79,509
Others	27,470	29,850
Cardboard	68,807	42,208
Total	506,979	362,564

*One metric ton=2,204 lb.

per cent of consumption; for other members of the Common Market, percentages vary from 15 to 38.

BELGIAN TRADE IN PAPER AND CARDBOARD

	Imports	Exports
	(metric tons)	
1953	148,000	55,000
1954	181,000	65,000
1955	208,000	76,000
1956	209,000	90,000
1957	251,000	112,000
1958 (10 months)	186,000	98,000

Current demand for paper in Belgium is relatively weak. Sales of newsprint, wrapping and kraft papers are fairly steady, but the demand for printing and fine papers, as well as for wallpaper and duplex board, has fallen off. Mills are operating below capacity—as low as 60 per cent of capacity in one instance. Unofficial sources estimate that newsprint imports in 1959 may fall by 10 per cent, though this will be due largely to the full operation of a new paper machine installed in 1957 by the Papeteries de Belgique.

Canadian Newsprint Loses Ground

Canada's share of Belgian imports of paper is not large, mainly because of the lower prices charged by European suppliers. The Canadian papers listed in the following table have enjoyed steady sales in Belgium over the past few years, though other types have moved sporadically and in small quantities. Book and printing papers are selling mainly because of high quality. There has been a noticeable drop in newsprint sales because of lower European prices, but the success of small and non-standard "cut-off" rolls, and the contracts made with Canadian mills several years ago, have prevented Canadian exports from disappearing altogether. Eliminating these bright spots, however, would probably mean the disappearance of Canadian suppliers from the Belgian market.

MAIN CANADIAN PAPER EXPORTS TO BELGIUM

	1954	1955	1956	1957	1958
		('000 metric tons)			
ewsprint	10,600.0	12,050.0	1,935.0	3,040.0	1,180.0
ook, printing, litho paper		11.9	12.6	100.0	62.0
ond and writing paper, uncut	1.6	20.2		42.6	22.5

ew Pulp Mill

Belgium imports 72.5 per cent of the raw materials needs for the pulp and paper industry; some 48.5 er cent is supplied by Scandinavia. The other Common arket countries and the United Kingdom, on the other hand, import an average of 48 per cent of their needs, of which 35 per cent comes from Scandinavia.

Some 64 per cent of Belgium's wood pulp requirements are met by imports. The relatively small domestic market has restricted development of a Belgian pulp industry, though a contract was signed recently for construction of a mill at Recogne in Luxembourg. Conveniently situated in a forested area, it will have a capacity of 100 tons a day of bleached kraft and dissolving pulp, and will be able to satisfy the needs of the paper mills in Belgium, France, Germany and the Netherlands. It is reported that a Canadian firm of consulting engineers will provide the technical services.

Suppliers of wood pulp to Belgium include Scandinavia, (178 thousand tons in 1957), Canada (9,000 tons in 1958, or only 5 per cent of Belgium's pulp imports), and the Soviet Union. Belgium also buys small amounts from the Netherlands, West Germany, Austria, Czechoslovakia and France.

Canada's Position

Some 97,500 cords of pulpwood were imported into Belgium during 1957, mainly from Finland, the Soviet Union, Norway and Sweden. Canada supplied none that year or the year before though, as the following table shows, our pulpwood sales in 1958 totalled 3,143 cords.

CANADIAN PULPWOOD AND WOOD PULP EXPORTS TO BELGIUM

	1954	1955	1956	1957	1958
Pulpwood (cords)	1,681	3,356			3,143
Total wood pulp (metric tons)	11,850	8,210	6,420	2,670	8,980
of which:					
Sulphate kraft, bleached	5,500	2,730	2,580	1,845	4,910
" " unbleached	4,550	2,210	2,320	688	3,990
Sulphite bleached, dissolving	181	229			
" " paper-grades	1,582	3,030	1,518	96	23

Sulphate pulp is Canada's largest pulp export to this market. Recently, however, Belgium's only kraft pulp mill boosted production from 15,000 to 20,000 tons a year and this may mean some drop in purchases from Canada. A similar increase in domestic production of sulphite pulp two years ago to 30,000 tons seems to have affected our sales of this type.

Two factors may counteract these conditions unfavourable to Canadian exports: the fact that Sweden is discouraging pulp exports to build up its paper production for sale abroad, and the tendency in Belgium to use more bleached and semi-bleached kraft in all types of papers. Generally speaking, Canada's share of the market will probably remain the same. It should be little affected by the implementation of the Common Market, because Belgium's main suppliers are non-member countries. ●

General Notes

Ceylon

NEW INDUSTRIAL PROJECTS—The Ministry of Industries and Fisheries has completed plans for 13 industrial projects which will cost over Rs.570 million, and has included the necessary money in its 1959-60 estimates. The projects will form part of a five-year major industrial plan and work will begin in the new financial year. Also included in the Ministry's estimates is a Rs.350 million fisheries development scheme with annual expenditure running to Rs.35 million over ten years.

Technical investigations have been completed on eight of the industrial projects. These are a second ceramic factory at Rs.6.6 million, a fertilizer project at Rs.150 million, and plants for sugar (Rs.105 million), by-products of sugar (Rs.140 million), cotton spinning and weaving (Rs.80 million), brick and tile (Rs.10 million) and salt-glazed pipes (Rs.1.4 million).

Investigations are currently being conducted on an iron ore mining and smelting project (Rs.9 million), and factories for paper (Rs.45 million), foundry and machine tools (Rs.15 million), glass sheet and utility ware (Rs.2 million), telecommunications equipment (Rs.5 million) and prefabricated housing (Rs.2 million). Two of the thirteen projects are expected to go into production in 1962 and the remainder in 1963—Colombo.

Iran

INDUSTRIAL DEVELOPMENT BANK—An agreement between the Iranian Government and two New York banking houses—Lazard Freres and Company and the Chase International Investment Corporation—to establish the Industrial Development Bank of Iran (IDBI), was signed on March 1, 1959. The new bank, which replaces all previous ventures of this nature in Iran, will endeavour through industrial development to increase domestic production, employment and purchasing power. The six partners making up the bank include private Iranian investors, private non-Iranian investors (20 foreign banking and industrial firms), the Iranian Government, the International Bank for Reconstruction and Development, the Development Loan Fund and the International Co-operation Administration—Tehran.

Netherlands Antilles

IMPORTS FROM CANADA INCREASE—Canadian exports to the Netherlands Antilles during 1958 topped those of 1957 by $266,181. Exports from Canada to Curaçao and Aruba last year totalled $1,596,200 compared with $1,330,019 in 1957. The increase was distributed over a wide range of products—Caracas.

South Africa

NEW MONETARY UNIT DECIDED—South Africa's Minister of Finance announced recently that the country's new monetary unit under the decimal system will be the "Rand"—a ten shilling unit to be divided into 100 cents.

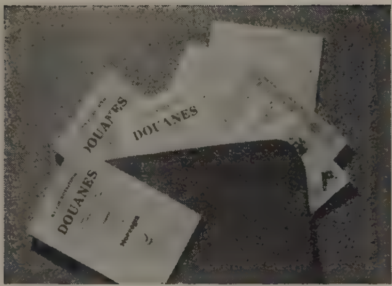
Decimal coinage will be introduced in 1961 (see *Foreign Trade,* January 31, 1959, page 36), without any major change in the currency in use at present. All existing types of coins are to have their value in cents engraved on one side and Reserve Bank notes will probably be overprinted with their decimal equivalent.

Details about compensation to owners of sterling machines, which will have to be converted during the changeover, have yet to be worked out by the Decimalization Council—Johannesburg.

Sweden

RUSSIAN WELDING METHOD ACQUIRED—The Swedish company Elektriska Svetsnings AB (ESAB) has acquired Soviet rights on a new electro-slag welding method developed by the Paton Institute in Kiev, probably the world's biggest institute for specialized research in electric welding. The principal difference in this method from others is that no welding arc is used. It is also reported to be very economical and to give exceptionally high speeds, especially in the welding of heavy materials. It will probably be used chiefly in the heavy engineering and shipbuilding industries.

The Swedish company will have sole manufacturing and sales rights, not only in Scandinavia but also in West Germany, the United Kingdom, Italy, the Benelux countries, Austria, Switzerland and Portugal. It has already set up manufacturing, sales and service organizations in these countries—Stockholm.



Trade and Tariff Regulations

Australia

TARIFF BOARD INQUIRIES—The Australian Minister for Trade and Customs recently referred to the Tariff Board for inquiry and report the question whether assistance should be accorded to the production, through tariff action or otherwise, of the following goods:

Internal combustion engines and parts therefor for use as original equipment in the manufacture or assembly of vehicles of the types covered by Tariff Item 360(D).

Canadian firms exporting these products to Australia may wish to have their views placed before the Tariff Board. They can do so most effectively by having their Australian agents act on their behalf. Action should be taken as soon as possible because tariff inquiries normally begin soon after they are announced.

Rates of duty on these products may be obtained from the International Trade Relations Branch.

Canada-United States

PRODUCTION SHARING ARRANGEMENTS—The Honourable Raymond O'Hurley, Minister of Defence Production, announced in the House on Friday, May 1, new production sharing arrangements with the United States. The following is the text of his statement:

"As a result of our discussions with United States authorities regarding production sharing, the United States Government has now made important changes in its Armed Services Procurement Regulations. These changes, which were issued on Monday (April 27) relate to the application of the Buy American Act to United States defence purchases from Canada. Their effect will be to give Canadian defence industry a much greater opportunity to share in the production of military equipment for the United States Armed Forces.

"Under the new regulations, the three United States Services have adopted a common approach, and Canadian businessmen will no longer need to keep themselves informed on three different interpretations of the Buy American Act.

"The key provision of this new approach is that Canadian supplies which relate to specific programs of mutual interest to the two governments, will be exempt from all the limitations which are normally imposed under the Buy American Act. Canadian proposals to supply these goods to the United States Services will be accepted on the same basis as American bids, giving Canadian sources an equal opportunity with American sources to compete for these orders.

"The programs and equipments to which this total exemption will apply are being identified by the United States Services in close consultation with my own officials. They will be designated in lists which will be issued by each of the Services individually. It is our expectation that these lists will encompass such a wide range of items that Canadian defence industry will find ample scope for participation. These lists will be kept open, and it is the intention that they should be modified from time to time, on the basis of continuing consultation.

"Canadian manufacturers who are interested in supplying products which are not on the exempt lists will also find their opportunities improved under the new regulations. Canadian tenders or proposals to supply such goods have usually, in the past, been subject to the addition of several percentage differentials in the comparison of bids. Henceforth, only the American tariff will be added to a Canadian bid, where non-exempt items are involved.

"A third feature of the new regulations is that the total exemption from the Buy American restrictions will also apply to any component parts of the equipments included in the exempt lists. This means that Canadian manufacturers of such components, including a large number of our smaller industries, may find opportunities for taking part in these programs, regardless of whether the prime contracts are awarded to Canadian or American firms. Canadian manufacturers of components may, in fact, find opportunities for sales to United States contractors even outside the range of exempt equipment. Under the regulations, any American defence contractor supplying non-exempt goods may buy up to 50 per cent of the material content of those goods from Canada and still enjoy the status of a domestic source."

Iraq

REGULATIONS FOR IMPORT TRADE MODIFIED—The Iraqi Government announced on March 21, 1959, important decisions regarding the flow of

import trade. The new regulations announced are as follows:

(1) All imported goods will henceforth be subject to prior import licence.

(2) Hard or weak currency areas and the sterling area will be considered as a single region.

(3) At the time the import licence is granted, account must be taken of the nature of the products in the allocations of limited or unlimited licences.

(4) Under no circumstances does the law authorize the confirmation of the products or their loading before the procurement of import licences. Products unloaded in Iraq before the procurement of licences will be subject to confiscation.

(5) Importers are required to use their previous licence before presenting applications for a further import licence, even if the country of origin is different.

(6) Applications to obtain licences for limited quotas will be accepted by the Director General of Commerce.

(7) Requests for products whose import is unlimited will be accepted throughout the year.

Appended to the regulations is a schedule of 81 types of commodities whose import is limited for the year 1959, with their quota limit. Also appended is a list of 36 commodities which may be imported only in case of extreme urgency, since similar products are manufactured or produced in Iraq. Items not enumerated in these lists, although requiring an import licence, are not limited by a quota.

The complete schedule for the year 1959 of commodities whose import is limited and of those prohibited may be obtained upon request from the International Trade Relations Branch of the Department.

Ireland

CUSTOMS CHANGES—The Minister for Finance has announced that an order has been made, under the Imposition of Duties Act 1957, effective from April 16, 1959, abolishing a number of levies and reducing some others, thus leaving the full levy on only a short list of less-essential goods. In some cases the levy has been replaced by customs duty.

Among the items from which the levy was revoked are the following:

Grapes, other than hothouse grapes; trailer caravans and component parts; clocks; smoking requisites; non-alcoholic beverages; cordials; prepared fruit juices; paper towels, handkerchiefs and tissues; articles of basketware and wickerwork (other than furniture); narrow fabrics—ribbons, trimmings, tapes and bindings, including bias binding.

The following levy heads have been terminated, but some of these items may be liable to levy under other heads which are not terminated. Therefore, it cannot be assumed that liability to levy is totally removed (e.g., domestic electrical appliances under heads 507, 508 and 510 will in future be liable under head 601):

Table and kitchen cutlery; penknives, etc.; electric hairclippers, blankets and warming pads; electrical bells; domestic washing machines; music rolls; portable vacuum flasks, etc.; walking sticks, etc.; chocolate preparations; pickles, sauces and mixed condiments; vegetable juices; quilts, etc.; rugs; curtains; hot water bottles; paints and enamels; liquid varnishes; pictures and designs; crown corks; office supplies; vegetables; cereal products; tapioca and sago; clay articles; polishing preparations.

There has also been a reduction of rates on certain levy heads as follows:

(i) Rates reduced from 60 per cent (full), 40 per cent (preferential) to 45 per cent (full), 30 per cent (preferential) for the following: Razors and blades; lawn mowers; trunks, suitcases, etc.; furniture; sport goods; lighting fixtures and fittings; pens and pencils; meat and meat preparations; electric lamps; glassware.

(ii) Rates reduced from 37½ per cent (full), 25 per cent (preferential) to 25 per cent (full), 16⅔ per cent (preferential) for the following: electrical appliances; fresh fruit; vegetable preparations; tulle etc.; articles of tulle, etc.; office equipment; fibre sheets and slabs.

(iii) The rates for Tariff Ref. No. 546 (photographic film, etc.) are reduced from 60 per cent (full), 40 per cent (preferential) to 22½ per cent (full), 15 per cent (preferential).

(iv) The rates for Tariff Ref. No. 568 (tinned fruit) are reduced as follows: strawberries, gooseberries, damsons, plums, raspberries, blackberries, currants and greengages—from 7 3/5d. per lb. (full), 6 2/5d. (preferential) to 6d. per lb. (full), 5d. (preferential).

Other tinned fruit—from 3 4/5d. per lb. (full), 3 1/5d. (preferential) to 3d. per lb. (full), 2½d. (preferential).

In all of the above cases, the preferential rate applies to Canada and the United Kingdom only.

It should be noted that where an article in any of the above mentioned levy heads is also liable under some other head at a higher rate, the latter rate will be chargeable on the article.

In some cases where the levies were revoked, new or amended customs duties were imposed in their place. Items in this clause which may be of interest to Canadian exporters are clocks, paper towels, handkerchiefs and tissues.

A further item which may interest Canada is that domestic refrigerators are now exempt from duty (which was 50 per cent ad valorem flat rate) but are still liable to the Special Import Levy of 60 per cent full, 40 per cent preferential—Dublin.

Netherlands

DOLLAR IMPORT RESTRICTIONS RELAXED—Effective April 16, the Government of the Netherlands freed from quantitative restrictions a number of goods from dollar countries. Although licences are required, they are being granted automatically for liberalized products. This measure has eliminated the differentiation that existed between imports into the Netherlands from dollar countries and Western Europe. The list of goods remaining subject to restriction is quite short but it includes such major Canadian exports as wheat, flour, bacon and fresh apples. Among the newly liberalized products are various items of interest to Canadian exporters, including the following:

Milk powder
Dried apples
Pears and prunes
Gluten

Refined fish oils and fats
Refined linseed and rapeseed oils
Boiled linseed oils
Oxidized and hydrogenated oils
Macaroni and spaghetti
Preserved tomatoes and tomato sauce
Fruit juices
Oil cake and other residues from the extraction of vegetable oils
Acetic acids
Calcium carbide and certain other chemicals
Synthetic resins
Streptomycin and chloromycetine
Varnishes and prepared colours
Raw hides and skins
Cattle leather
Plywood and veneers
Pulp board
All kinds of paper previously restricted
Synthetic textiles, fibres and yarn
Unbleached or printed unfigured cotton fabrics
Nylon stockings
Textile rags and waste
Crude and semi-fabricated gold
Twist drills and hard-tipped tools
Aluminum, worked
Agricultural machinery
Addressing machines
Taps and valves
Electro mechanical apparatus up to 33 pounds each
Amplifiers for apparatus for telegraphy and telephony
Television cameras
Brushes
Buttons

Detailed information on individual commodities may be obtained from the International Trade Relations Branch.

South Africa

REPRESENTATIONS RESPECTING THE TARIFF —The South African Board of Trade announced recently that it had received the following representations respecting the tariff:

Increase in duty on:

1. Corrugated steel fasteners from 10 per cent ad valorem to 25 per cent ad valorem.

2. Glazed wall tiles from 1s. 3d. and 1s. 9d. per square yard to 7s. per square yard or 50 per cent ad valorem in the maximum column of the tariff.

3. Welding electrodes, from free of duty to 25 per cent ad valorem.

4. The following rubber products:

(a) Rubber toy balloons from 15 per cent ad valorem to 30 per cent ad valorem intermediate rate and 50 per cent ad valorem, maximum rate; plus a specific duty of—

3s. 6d. per gross on balloons up to 3s. per gross F.O.B.;

7s. 6d. per gross on balloons from 3s. 1d. to 10s. per gross FO.B.;

12s. 6d. per gross on balloons from 10s. 1d. to 20s. per gross F.O.B.;

15s. per gross on balloons over 20s. per gross F.O.B.;

(b) Rubber sheath prophylactics from 20 per cent ad valorem to 30 per cent ad valorem, plus a specific duty of 12s. 6d. per gross in the maximum column of the tariff;

(c) Rubber surgeons' gloves and rubber infants' syringes from free of duty to 20 per cent ad valorem.

5. (a) Black and galvanized malleable iron pipe fittings from various rates of duty by 10 per cent ad valorem.

(b) Overhead electrical transmission hardware such as strain clamps, tension clamps, suspension clamps, tower hooks, clevis/-tongue fittings for insulators, arching horn adaptors, clevis adaptors and wire ending cones from free of duty (minimum rate) and 5 per cent ad valorem (intermediate rate) to 15 per cent ad valorem and 20 per cent ad valorem respectively.

(c) The following castings: expansion shells (roofing bolts), malleable step irons; conveyor chains; valve components; telephone wire insulator spindles, and railway component castings, including rail clips, steam hose couplings, vacuum hose couplings, and turn buckles, from various rates of duty to 15 per cent ad valorem (minimum rate) and 20 per cent ad valorem (intermediate rate).

Bringing into operation of the suspended duty on:

Rectangular metal porcelain or vitreous enamelled baths to the extent of the whole suspended duty.

Canadian firms exporting these goods to South Africa may wish to have their views placed before the Tariff Board. They can do so most effectively by having their South African agents act on their behalf. Action should be taken as soon as possible because tariff inquiries normally begin soon after they are announced.

United States

CANADIAN OIL EXEMPTED FROM IMPORT CONTROL—The April 11 issue of *Foreign Trade* carried a notice of Presidential Proclamation 3279 of March 10 imposing mandatory import restrictions on petroleum and petroleum products entering the United States.

On April 30 the President issued an amending proclamation, numbered 3290 effective June 1, 1959, exempting from the import restrictions imposed by Proclamation 3279 "crude oil, unfinished oils, or finished products which are transported into the United States by pipeline, rail, or other means of overland transportation from the country where they were produced, which country, in the case of unfinished oils or finished products, is also the country of production of the crude oil from which they were processed or manufactured".

New Loom Has No Shuttle

An experimental Swedish factory is making a shuttleless loom with a capacity almost double that of the traditional type. (It works at 320-350 strokes a minute compared with the usual 180-200.) The new loom contains about half as many parts as the old-style machine, it makes less noise, and is said to turn out products that are more durable and elastic. Its name is the Maxbo loom, and its secret is an air nozzle which replaces the shuttle. A jet of air carries the thread over on one side and a suction nozzle catches it on the other. It is said that a trained worker can supervise 40 of these machines compared with 30 of the old type. About 100 of them have been made and 13 have been exported to Israel. Japan and the Soviet Union are also said to be interested.

Businessman's Bookshelf

Good Fences Make Good Neighbours

By Joseph Barber. 280 pages. $5.00.

MR. BARBER, a former foreign correspondent and newspaper and magazine editor, wrote this book on Canadian-American relations while he was on leave from his duties at the Council on Foreign Relations in New York. He brought to this work a fairness and honesty that could not offend even the most volatile nationalist on either side. But this is not to say that his approach is mealy. He discusses frankly the ways in which U.S. policy actually does hurt Canada and touches, for example, on his country's late emergence as a participant in the St. Lawrence Seaway project, its restriction of Canadian oil exports to the West Coast of the United States, and on other incidents that have caused critical comment in the Canadian Parliament and press. He also points out, with equal candour, how much the Canadian oil and mineral industries owe to U.S. capital for their phenomenal expansion; U.S. long-term investment capital in Canada by the end of 1957 was estimated at a staggering $13 billion, out of total non-resident long-term investment from all sources of some $17.2 billion.

The Canadian reader will find this an interesting book—informal, yet well documented. He will also discover that Mr. Barber does not have any sure-fire remedies for the irritations and worries that result from our pressing mutual needs for power, waterways and defence. But he will find that the problems are aired here in a manner that makes the book good—even rewarding—reading.

Published by: McClelland & Stewart Limited, 25 Hollinger Road, Toronto 16.

Kenya 1957, Uganda 1957

Colonial Reports. 179, 166 pages. $1.61, $1.88.

TRADING in the rich British East African region could be profitable for Canadians now that restrictions on some dollar imports have been relaxed. Meanwhile, a look at the economies of Kenya and Uganda shows that improvements in general are steady and the future bright. (See *Foreign Trade,* April 25.) The year 1957 was an important one for Kenya: it marked the beginning of a new three-year planning period during which some £24 million will be spent on development projects; and Uganda reported a £5.3 million increase in total earnings to £122.4 million.

These British Colonial Reports present comprehensive data (in text and tables), maps and photographs covering countries that are coming increasingly into the eyes of businessmen in the western world.

Order from: The United Kingdom Information Office, 119 Adelaide Street West, Toronto, Canada.

The Europa Year Book 1959

Europa Publications Limited. 1,156 pages. $22.00 in leathercloth.

IN a fast-moving world that has developed what seems sometimes to be a plethora of organizations, associations, pacts and unions, one turns with some relief to a volume that lists and explains at least the European ones, and sorts out their objectives and peculiarities. This first edition of the *Europa Year Book,* large, well-bound and expensive, provides a quick guide to information about OEEC, ECSC, Euratom, Benelux, the Council of Europe, the Warsaw Pact, FAO, GATT, ILO, WHO, the United Nations High Commission for Refugees, the Bank for International Settlements, and many more.

The book opens with an essay that lays the base for what is to follow, and then proceeds to the detailed discussion of the organizations that are concerned with developing the European community.

The remainder of the volume is a survey and directory of every country in Europe, including the Soviet Union and Turkey. The countries are arranged alphabetically and information is given about economic conditions (with statistics), constitution, government, religion, press, radio, television, institutions of learning, libraries, trade assocations, railways, airlines, and so on. A valuable addition to your library.

Order from: Europa Publications Limited, 56 Bloomsbury Square, London, W.C.1, England.

Foreign Commercial Representatives in Canada

ARGENTINA

Washington—Economic Counsellor, Argentine Embassy, 1600 New Hampshire Avenue N.W.

AUSTRALIA

Montreal—Australian Government Trade Commissioner, 1255 Phillips Square.
Vancouver—Australian Government Trade Commissioner, Suite 608, Burrard Bldg.

AUSTRIA

Ottawa—Embassy of Austria, Suite 707, 140 Wellington Street.
Calgary—Consulate of Austria, 31 Hollinsworth Bldg.
Montreal—Consulate General of Austria, Suite 815-817 Castle Bldg., 1410 Stanley Street.
Toronto—Austrian Trade Delegate, Suite 616, 62 Richmond Street West.
Vancouver—Austrian Trade Delegate, 525 Seymour Street.

BAHAMAS

Toronto—Trade Commissioner, Room 707, Victory Bldg., 80 Richmond Street West.

BELGIUM

Montreal—Consul General of Belgium, 709 Sun Life Bldg.
Toronto—Consul General of Belgium, Room 302, 11 Adelaide Street West.
Vancouver—Consul of Belgium, c/o Consul General of Belgium, Room 1432, 355 Burrard Street.

BOLIVIA

Montreal—Consul of Bolivia, 5559 Canterbury.

BRAZIL

Ottawa—Brazilian Embassy, 305 Stewart Street.
Montreal—Trade Commissioner, Brazilian Government Trade Bureau, Room 302, 400 St. James Street West.

CHILE

Ottawa—Embassy of Chile, 56 Sparks Street.
Vancouver—Consul of Chile, 1575 West Sixth Avenue.

CHINA

Ottawa—Counsellor, Embassy of the Republic of China, 201 Wurtemberg Street.
Vancouver—Consul General of China, 510 Hastings Street West.

COLOMBIA

Ottawa—First Secretary and Consul, Suite 33, Roxborough Apts.
Montreal—Consul General of Colombia, 1572 Summerhill Avenue.
Toronto—Consul of Colombia, 67 Yonge Street.
Vancouver—Consul of Colombia, 1575 West Sixth Avenue.

COSTA RICA

Montreal—Consul General of Costa Rica, 4753 Lacombe Avenue.

CUBA

Montreal—Cuban Consul, Consulate General of Cuba, 1572 Summerhill Avenue.

CZECHOSLOVAKIA

Ottawa—Commercial Counsellor, 171 Clemow Avenue.
Montreal—Commercial Section, Czechoslovak Consulate General, 1305 Pine Avenue West.

DENMARK

Ottawa—Royal Danish Embassy, 446 Daly Avenue.
Montreal—Consul General, Royal Danish Consulate General, Room 815, Keefer Bldg., 1440 St. Catherine Street West.
Toronto—Assistant Trade Commissioner, Royal Danish Consulate, 114-118 Danforth Avenue.

DOMINICAN REPUBLIC

Ottawa—Consul General of the Dominican Republic, 20 Bower Street.
Montreal—Consul General of the Dominican Republic, Apt. 4, 3201 Forest Hill Avenue.

ECUADOR

Montreal—Consul General of Ecuador, 1572 Summerhill Avenue.
Vancouver—Consul of Ecuador, 603 West Hastings Street.

EL SALVADOR

Montreal—Consul General of El Salvador, 4972 Victoria Avenue.

FINLAND

Ottawa—Attaché, Legation of Finland, 85 Range Road.

FRANCE

Ottawa—Commercial Counsellor to the French Embassy, 464 Wilbrod Street.
Montreal—Commercial Counsellor of France, 2060 Mackay Street.
Toronto—Commercial Counsellor of France, 185 Bay Street.

GERMANY

Ottawa—First Secretary (Commercial Affairs), Embassy of the Federal Republic of Germany, 1 Waverley Stre
Montreal—Consulate General of the Federal Republic of Germany, 1501 McGregor Street.
Toronto—Consulate of the Federal Republic of Germany, 77 Admiral Road.
Vancouver—Consulate of the Federal Republic of Germany, National Trust Bldg., 325 Howe Street.
Winnipeg—Consulate of the Federal Republic of Germany, 424 Wellington Crescent.
Edmonton—Consulate of the Federal Republic of Germany, 11618 100th Avenue.

GREECE

Ottawa—Commercial Attaché (Honorary), Royal Greek Embassy, Suite 110, Chateau Laurier.

GUATEMALA

Montreal—Consul General of Guatemala, 3467 Wilson Avenue.

HAITI

Ottawa—Embassy of Haiti, 82 Wurtemberg Street.
Montreal—Consul of Haiti, 1405 Bishop Street.
Halifax—Consul of Haiti, 50 Sackville Street.

HONDURAS

Montreal—Consul General, Consulate General of the Republic of Honduras, 5407 Coolbrook Avenue.
Toronto—Vice Consul (Honorary), 3 Nashville Avenue, Apt. 18.
Vancouver—Consul (Honorary) of the Republic of Honduras, 3789 West 50th Avenue.

INDIA

Ottawa—First Secretary (Commercial), Office of the High Commissioner for India, 200 MacLaren Street.

INDONESIA

Ottawa—First Secretary (Commercial), Indonesian Embassy, 275 MacLaren Street.

IRAQ

The Embassy of the United Arab Republic is in charge of Iraqi interests. See address below.

IRAN

Ottawa—Second Secretary, Imperial Legation of Iran, Apt. 404, Sandringham Apartments.

IRELAND

Montreal—Irish Trade Representative (Irish Export Promotion Board), 1015 Beaver Hall Hill.

ISRAEL

Montreal—Consul of Israel (Commercial), 1555 McGregor Street.

ITALY

Ottawa—Commercial Attaché, Embassy of Italy, 172 MacLaren Street.
Montreal—Vice Consul and Trade Commissioner, 1524 Summerhill Avenue.
Toronto—Italian Trade Commissioner, Suite 403, 34 King Street East.

JAPAN

Ottawa—First Secretary (Commercial), Embassy of Japan, Room 701, Metcalfe Bldg.
Toronto—Consulate of Japan, 180 University Avenue.
Vancouver—Consulate of Japan, 510 Hastings Street West.
Winnipeg—Consulate of Japan, 301 Tribune Bldg.

LEBANON

Ottawa—Embassy of Lebanon, 105 Springfield Road, Apt. 1.

LUXEMBOURG

Montreal—Consul General of the Grand-Duchy of Luxembourg, 4832 Western Avenue.

MEXICO

Ottawa—Embassy of Mexico, Room 706, 88 Metcalfe Street.
Montreal—Consul General of Mexico, Room 513, Castle Bldg., 1410 Stanley Street.
Toronto—Consulate of Mexico, Room 309, 20 Carlton Street.
Vancouver—Consulate of Mexico, Room 607, The Burrard Bldg., 1030 W. Georgia Street.

MONACO

Montreal—Consul of Monaco, Suite 101, 4920 Western Avenue.

NETHERLANDS

Ottawa—Commercial Counsellor, Embassy of the Netherlands, 12 Marlborough Avenue.
Montreal—Netherlands Consulate General, 1103 Castle Bldg., 1410 Stanley Street.
Toronto—Netherlands Consulate General, 159 Bay Street.
Edmonton—Netherlands Consulate, Merit Bldg., 10008 106th Street.
Vancouver—Netherlands Consulate General, 475 Howe Street.

NEW ZEALAND

Montreal—New Zealand Trade Commissioner, Room 609, Sun Life Bldg.

NICARAGUA

Montreal—Consul General, Consulate General of Nicaragua, 3435 Barclay Avenue.

NORWAY

Montreal—Trade Commissioner of Norway, Norwegian Consulate General, 1410 Stanley Street.

PAKISTAN

Ottawa—Commercial Secretary to the Pakistan High Comissioner, 505 Wilbrod Street.

PANAMA

Montreal—Consul General, Consulate General of Panama, 4517 Harvard Avenue.

PERU

Ottawa—Second Secretary, Embassy of Peru, 539 Island Park Drive.

PHILIPPINES

Vancouver—Trade Commissioner, Philippines Consulate, 615 West Pender Street.

POLAND

Ottawa—Commercial Counsellor to the Polish Legation, 362 Stewart Street.

PORTUGAL

Ottawa—Embassy of Portugal, 285 Harmer Avenue.
St. John's—Consulate of Portugal, King's Bridge Court, Apartment 2E.
Halifax—Consulate of Portugal, P.O. Box 355.
Montreal—Consulate of Portugal, 4393 Esplanade Avenue.
Toronto—Consulate of Portugal, 2 Toronto Street.
Vancouver—Consulate of Portugal, 1929 West Broadway.

SPAIN

Ottawa—Commercial Counsellor to the Spanish Embassy, 149 Daly Avenue.

SWEDEN

Ottawa-Secretary, Royal Embassy of Sweden, Suite 704, 140 Wellington Street.
Montreal—Trade Commissioner, Royal Consulate General of Sweden, 2055 Bishop Street.
Vancouver—Trade Commissioner, Royal Consulate of Sweden, Dominion Bank Bldg.

SWITZERLAND

Ottawa—Counsellor of Embassy, Swiss Embassy, 5 Marlborough Avenue.
Montreal—Consul General of Switzerland, 1572 McGregor Street.
Toronto—Consul General of Switzerland, 100 University Avenue.
Vancouver—Consul of Switzerland, 402 West Pender Street.
Winnipeg—Consul of Switzerland, 200 Blackburn Bldg., 269 Kennedy Street.

THAILAND

Toronto—Consul of Thailand, Suite 600, 199 Bay Street.
Vancouver—Consul of Thailand, 5416 Marguerite Street.

TURKEY

Ottawa—Commercial Counsellor, Turkish Embassy, 197 Wurtemberg Street.

UNION OF SOUTH AFRICA

Ottawa—Commercial Secretary, Office of the High Commissioner for the Union of South Africa, 15 Sussex Drive,

UNION OF SOVIET SOCIALIST REPUBLICS

Ottawa—Commercial Counsellor, Embassy of the USSR, 24 Blackburn Avenue.

UNITED ARAB REPUBLIC

Ottawa—Commercial Secretary, Embassy of the United Arab Republic, Roxborough Apts., Apt. 66.

UNITED KINGDOM

Ottawa—United Kingdom Senior Trade Commissioner and Economic Adviser to the High Commissioner, 56 Sparks Street.
Edmonton—United Kingdom Trade Commissioner for Alberta and Northwest Territories, Imperial Bank Bldg., Jasper Avenue.
Halifax—United Kingdom Trade Commissioner for the Atlantic Provinces, 65 Spring Garden Road.
Montreal—United Kingdom Trade Commissioner for Quebec, 1111 Beaver Hall Hill.
Toronto—United Kingdom Trade Commissioner for Ontario, 119 Adelaide Street West.
Vancouver—United Kingdom Trade Commissioner for British Columbia and Yukon Territories, 540 Burrard Street.
Winnipeg—United Kingdom Trade Commissioner for Manitoba, Saskatchewan, and Northwest Ontario, 504 Main Street.

UNITED STATES

Ottawa—Commercial Attaché, Embassy of the United States, 100 Wellington Street.
Calgary—Consul of the United States, 501 Toronto General Trusts Bldg.
Edmonton—Consul of the United States, 214 Empire Block.
Halifax—Consul General of the United States, Bank of Nova Scotia Bldg.
Montreal—Consul General of the United States, 1558 McGregor Avenue.
Niagara Falls—Consul of the United States, Newman Hill, Falls street.
Quebec—Consul of the United States, 1 Ste. Genevieve Avenue.
Saint John—Consul of the United States, 206 Union Street.
St. John's—Consul General of the United States, King's Bridge Road.
Toronto—Consul General of the United States, 360 University Avenue.
Vancouver—Consul General of the United States, Burrard Bldg., 1030 W. Georgia Street.
Windsor—Consul of the United States, Canada Trust Bldg.
Winnipeg—Consul General of the United States, 402 Tribune Bldg.

URUGUAY

Ottawa—Chargé d'Affaires a.i., the Roxborough Apts., Apt. 32

VENEZUELA

Ottawa—Commercial Attaché, Embassy of Venezuela, Roxborough Apts., Apt. 21.
Halifax—Consul, Room 401, Roy Bldg., Barrington Street.
Montreal—Consul General of Venezuela, 2052 St. Catherine Street West.
Vancouver—Consul of Venezuela, 525 Seymour Street.

THE WEST INDIES, BRITISH GUIANA, AND BRITISH HONDURAS

Montreal—Commissioner for The West Indies, British Guiana, and British Honduras, Suite 460, 2100 Drummond Street.

YUGOSLAVIA

Ottawa—Embassy of the Federal People's Republic of Yugoslavia, 17 Blackburn Avenue.
Toronto—Consul General of the FPR of Yugoslavia, 377 Spadina Road.

The following nominal quotations may prove useful in checking prices. Canadian traders should consult their banks before making any firm commitments.

Conversions into Canadian dollar equivalent and units of foreign currency per Canadian dollar have been made at cross rates with sterling or the United States dollar on the date shown.

Except when buying and selling rates are specified, the mid rates only are quoted. The buying rate is that at which the banks purchase exchange from exporters. The selling rate is that at which banks sell exchange to importers.

When several rates are indicated, the rate applicable depends on the commodity traded. Information on the rate for any specific commodity may be obtained from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

Rates used exclusively in non-merchandise trading are *not* included in the table.

For conversion to United States dollar equivalent multiply by 1.0369410.

foreign exchange rates

Country	Unit	Type of Exchange	Can. dollar equivalent May 11	Units per Canadian dollar	Notes (See below
Argentina	Peso	Free	.01162	86.06	(
Austria	Schilling		.03709	26.96	
Australia	Pound		2.1724	.4603	
Bahamas	Pound		2.7155	.3682	
Belgium, Belgian Congo and Luxembourg	Franc		.01935	51.80	
Bermuda	Pound		2.7155	.3682	
Bolivia	Boliviano	Free	.00008441	1,184.69	
British Guiana	Dollar		.5657	1.77	
British Honduras	Dollar		.6788	1.47	
Brazil	Cruzeiro	General Category*	.004453	224.57	*Apr. 28 (
		Special Category*	.003025	330.60	(
		Official selling	.05123	19.52	(
Burma	Kyat		.2025	4.94	
Ceylon	Rupee		.2037	4.91	
Chile	Peso	Free	.0009167	1,090.87	(
Colombia	Peso	Certificate	.1507	6.63	
Costa Rica	Colon	Official	.1717	5.82	
		Controlled free	.1451	6.89	
Cuba	Peso		.9644	1.03691	tax 2
Czechoslovakia	Koruna		.1339	7.47	
Denmark	Krone		.1401	7.14	
Dominican Republic	Peso		.9644	1.03691	
Ecuador	Sucre	Official	.06429	15.55	
		Free	.05633	17.75	
Egyptian Region, United Arab Rep.	Pound	Official	2.7693	.3611	
		Export account selling	1.9300	.5181	
El Salvador	Colon		.3858	2.59	
Fiji	Pound		2.4464	.4088	
Finland	Markka		.003014	331.78	
France, Monaco and North Africa	Franc		.001967	508.39	(
French colonies	Franc		.003934	254.19	(
French Pacific	Franc		.01082	92.42	(
Germany	D Mark		.2306	4.34	
Ghana	Pound		2.7155	.3682	
Greece	Drachma		.03214	31.11	
Guatemala	Quetzal		.9644	1.03691	
Haiti	Gourde		.1929	5.18	
Honduras	Lempira		.4822	2.07	
Hong Kong	Dollar	Free*	.1678	5.96	*May
		Official	.1697	5.89	
Iceland	Krona	Official	.05922	16.89	(
India	Rupee		.2037	4.91	
Indonesia	Rupiah	Effective buying	.03185	31.40	*Apr.
		Effective selling	.02548	39.25	(
Iran	Rial	Certificate	.01273	78.55	

*Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent May 11	Units per Canadian dollar	Notes (See below)
Iraq	Dinar		2.7003	.3703	
Ireland	Pound		2.7155	.3682	
Israel	Pound		.5358	1.87	
Italy	Lira		.001554	643.50	
Japan	Yen		.002679	373.27	
Lebanon	Pound	Free	.3068	3.26	
Mexico	Peso		.07715	12.96	
Netherlands	Florin		.2556	3.91	
Netherlands Antilles	Florin		.5150	1.94	
New Zealand	Pound		2.7155	.3682	
Nicaragua	Cordoba	Effective buying	.1461	6.84	
		Official selling	.1368	7.31	
Norway	Krone		.1356	7.37	
Pakistan	Rupee		.2037	4.91	
Panama	Balboa		.9644	1.03691	
Paraguay	Guarani	Official	.008036	124.44	
Peru	Sol	Certificate	.03576	27.96	
Philippines	Peso		.4822	2.07	
Portugal & Colonies	Escudo		.03366	29.71	(9)
Singapore and Malaya	Straits dollar		.3668	2.73	
Spain and Dependencies	Peseta	Commercial selling	.02282	43.83	(8)
Sweden	Krona		.1864	5.36	
Switzerland	Franc		.2230	4.48	
Syrian Region, United Arab Rep.	Pound	Free	.2695	3.71	
Thailand	Baht	Free	.04590	21.79	(8)
Turkey	Lira	Effective selling	.1072	9.33	
Union of South Africa	Pound		2.7155	.3682	
United Kingdom	Pound		2.7155	.3682	
United States	Dollar		.964375	1.0369410	
Uruguay	Peso	Free	.1109	9.02	
		Basic buying	.6369	1.57	(8)
		Principal selling	.4557	2.18	
Venezuela	Bolivar		.2879	3.47	
West Indies Fed.	Dollar		.5657	1.77	(10)
	Pound		2.7155	.3682	(11)
Yugoslavia	Dinar	Official	.003214	311.14	(8)
		Settlement rate	.001526	655.35	

*Latest available quotation date.

notes

1. Argentina: Effective Jan. 1, 1959, a single fluctuating exchange rate was introduced. Exports are subject to retention taxes of either 10 or 20 per cent ad valorem under this system.
2. Brazil: exporters receive cruzeiros at official rate plus exchange premiums ranging from 18.70 to 48.64 cruzeiros per U.S. dollar, depending on product.
3. For imports of wheat, newsprint and petroleum, the effective rate of exchange is the official selling rate plus a surcharge of 61.18 cruzeiros.
4. Chile: free rate applies to exports and to imports, except prohibited imports. Chilean importers must deposit local currency in amounts ranging from 5 to 5,000 per cent, depending on product, prior to shipment of goods.
5. France: territory includes Algeria, Tunisia, Morocco, Guiana, Guadeloupe, Martinique.
6. Equatorial Africa, West Africa, Cameroons, Togoland, Somaliland, Madagascar, Reunion, St. Pierre and Miquelon.
7. New Caledonia, New Hebrides, Oceania.
8. Additional rates are in effect.
9. Portugal: approximately same rate for Portuguese territories in Africa.
10. Barbados, Trinidad, Tobago, Leeward and Windward Islands.
11. Jamaica.

Trade Commissioners on Tour

The following officers of the Trade Commissioner Service will shortly begin tours in Canada. Their itineraries are

M. B. BLACKWOOD, Commercial Secretary in Djakarta, Indonesia:

Montreal—May 25-27
Hamilton, Brantford—May 28-29
Toronto—June 1-3
Winnipeg—June 4-5

N. W. BOYD, formerly Assistant Commercial Secretary in Berne, Switzerland:

Winnipeg—June 29-July 11
Regina—July 13-14
Saskatoon—July 15
Calgary—July 18
Vancouver—July 23-August 7

When he completes his tour Mr. Boyd will be posted to Tokyo, Japan, as Assistant Commercial Secretary.

J. C. BRITTON, Commercial Counsellor in Sydney, Australia:

Vancouver—May 28-June 6
Saskatoon—June 8
Winnipeg—June 9-11
Toronto—June 13-20
Southern Ontario—June 22-26

When he completes his tour in the autumn, Mr. Britton will be posted to The Hague, Netherlands, as Commercial Counsellor.

P. T. EASTHAM, Assistant Commercial Secretary in Port-of-Spain, Trinidad:

Ottawa—June 17-27
Montreal—June 28-July 4
Quebec City—July 5-6
Fredericton—July 7
Saint John—July 8
Halifax—July 9-11
St. John's—July 12-14
Ottawa—July 15-18
Toronto—July 19-22

When he completes his tour Mr. Eastham will be posted to Rome as Assistant Commercial Secretary.

H. J. HORNE, Commercial Secretary in Karachi, Pakistan:

Vancouver—July 27-30
Winnipeg—Aug. 5

Mr. Horne is being transferred to Chicago as Consul and Trade Commissioner and is expected to arrive there early in August.

A. A. LOMAS, Assistant Commercial Secretary in Mexico City:

Ottawa—June 1-9
Toronto—June 10-19
Hamilton—June 22-23

W. B. McCULLOUGH, Commercial Counsellor in Ciudad Trujillo, Dominican Republic:

Hamilton—May 26-27
Toronto—May 28-June 7
Winnipeg—June 9
Vancouver—June 11-15
Victoria—June 17
Montreal—June 22-30
Maritimes—Aug. 24-Sept. 1

K. F. OSMOND, Commercial Secretary in Rome, Italy:

Ottawa—May 19-29
Vancouver—June 1-8
Winnipeg—June 10-12
Toronto—June 15-20
Hamilton—June 22-23
St. Catharines—June 24

K. F. Osmond, continued—

Windsor—June 26-29
Sarnia—June 30
London—July 2-3
Quebec—July 6
Saint John—July 8
Halifax—July 10
St. John's—July 20-21
Montreal—Oct. 1-16

W. G. PYBUS, Commercial Secretary in Tokyo, Japan

Vancouver—May 29-June 5
Edmonton—June 5-17
Calgary—June 25-26
Winnipeg—July 20-22

R. F. RENWICK, Consul and Trade Commissioner in Chicago:

Toronto—July 6-10
Ottawa—July 13-17
Montreal—July 20-24

Mr. Renwick will be transferred to Port-of-Spain Trinidad, as Commercial Secretary late in August.

C. O. R. ROUSSEAU, Commercial Secretary in Beirut, Lebanon:

Ottawa—July 6-17
Montreal—Aug. 31-Sept. 4
Toronto—Sept. 8-14
Hamilton—Sept. 15
Winnipeg—Sept. 18-19
Vancouver—Sept. 21-23

R. CAMPBELL SMITH, Commercial Counsellor in Paris, France:

Ottawa—June 23-July 3
Montreal—July 6-15
Toronto—July 16-23
Hamilton—July 24
Winnipeg—July 27-28
Vancouver—July 30-31, Sept. 16-18

R. K. THOMSON, Commercial Secretary in Vienna, Austria:

Vancouver—June 22-30
Edmonton—June 30-July 1
Winnipeg—July 2-3
Toronto—July 7-15
Hamilton—July 16
Montreal—July 17-24
Ottawa—July 27-Aug. 7

W. R. VAN, Commercial Secretary in Colombo, Ceylon:

Montreal—May 25-June 5
Ottawa—June 8-19
Toronto—June 22-July 3
Hamilton—July 6
Fergus—July 7
Brantford—July 8
Niagara Falls, Welland, St. Catharines—July 9-10
Winnipeg—July 13-14
Vancouver—July 16-23

Businessmen who wish to see these officers should get in touch with the Board of Trade or Chamber of Commerce in the cities mentioned, with the following exceptions. In Toronto, Winnipeg and Edmonton, the Trade Commissioners make their headquarters at the offices of the Canadian Manufacturers Association; in Windsor, Ontario, at the offices of the Greater Windsor Industrial Commission; in St. John's, Ottawa and Vancouver, at the Department of Trade and Commerce; in Victoria, at the Department of Trade and Industry, and in Fredericton at the Department of Industry and Development.

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